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Latin America

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Andean Presidents To Meet in Caracas 2 Sep

PA0209171989 Paris AFP in Spanish 1630 GMT 2 Sep 89

[Text] Caracas, 2 Sep (AFP)—Government sources have told reporters that the presidents of Bolivia, Peru, Ecuador, and Venezuela will meet informally today in "La Guzmania," about 40 km from Caracas, before flying to Yugoslavia to attend the nonaligned summit meeting. Presidents Jaime Paz Zamora of Bolivia, Alan Garcia of Peru, and Rodrigo Borja of Ecuador will land at the Maiquetia International Airport at noon (1700 GMT) and will remain in Venezuela about 6 hours.

The presidents will be met by Social Democrat President Carlos Andres Perez, who is scheduled to leave for Yugoslavia at 1700 (2200 GMT) today.

The Venezuelan delegation to the nonaligned meeting includes Foreign Minister Reynaldo Figueredo, who is already in Belgrade, the Energy and Transportation ministers, the director of the Venezuelan Corporation of Guyana, the president of the Foreign Trade Institute and the presidents of the congressional foreign relations commissions.

The nonaligned summit in Belgrade marks the first time Venezuela is part of the group. President Perez' speech is scheduled for 4 September at the opening session.

At the end of the meeting on 8 September, President Perez and his delegation will leave for a 1-day visit to Hungary.

Group of Eight To Reduce Internal Debt

PY0409004489 Madrid EFE in Spanish 0029 GMT 2 Sep 89

[Text] Rio de Janeiro, 1 Sep (EFE)—The Latin American countries that are members of the Group of Eight will analyze ways to increase trade and economic integration among Latin American nations in order to reduce Latin America's internal debt and create new sources of financing.

This was the main conclusion of a Group of Eight technical meeting that ended yesterday in Rio de Janeiro. The main goal of this meeting was to propose issues for the agenda of the meeting of Group of Eight finance ministers scheduled for 17 September in Cancun, Mexico.

Representatives of Argentina, Brazil, Colombia, Mexico, Peru, and Venezuela—Uruguay and Panama (absent from the group due to its domestic political situation) did not attend—spent 2 days discussing measures to refinance and reduce the internal Latin American debt, which currently totals more than $16.7 billion.

Brazil representative Sergio Amaral, speaking on behalf of the region's largest creditor, proposed renegotiation formulas similar to those that Brazil is demanding from its creditors and said that "we do not accept a resolution of the debt issue without solving the reasons for the problem so that it will not be repeated."

Brazil is willing to receive payments of overdue credits from its Latin American neighbors—totaling nearly $3.6 billion—in the currency of these countries; the payments would be deposited into a special account at their official banks that would be used to finance imports from Brazil and investments of Brazilian companies.

Brazil recently completed renegotiations on Paraguay's $400-million debt, granting an 18-year deadline for repayment with an option for Paraguay to repay by buying notes on Brazil's foreign debt, which are priced on the international market at 30 percent of their value.

By implementing these repayment formulas and by gaining access to new sources of financing, Brazil expects to reactivate trade with other Latin American countries that has recently been affected by difficulties in settling the internal Latin American debt.

Sergio Amaral explained that these refinancing agreements will be negotiated initially with the less-developed nations while countries like Argentina, Venezuela, and Mexico will have to continue paying their debts in foreign exchange.

The Brazilian representative said that the Group of Eight intends to open new sources of financing to permit the implementation of debt-reduction formulas. He said that the Group of Eight is expecting an International Development Bank contribution similar to the one granted by the World Bank.

New Southern Cone Transport Agreement Announced

PY0309224689 Madrid EFE in Spanish 2326 GMT 1 Sep 89

[Text] Santiago, 1 Sep (EFE)—The transport and public works ministers of the southern cone signed an agreement in Santiago today on international overland transport that will facilitate trade and tourism among the seven nations of the area.

The signing ceremony at the Diego Portales Buiding, the seat of the Chilean Government, closed the 16th meeting of transport ministers of Argentina, Bolivia, Brazil, Chile, Paraguay, Peru, and Uruguay, which lasted for 2 days.

The agreement also includes an accord on international railway transport and rules on the civil liability of international transport companies.

Emphasizing the importance of the agreement, Chilean Transport Minister Carlos Silva pointed out today that the provisions of the first agreement are essentially based on the mutual confidence "that must prevail among the transport sector authorities of our countries."

The agreement removes costly guarantees, especially in customs and insurance, that had previously been paid by the transport companies.

Also, procedures for obtaining international transport permits have been simplified and made more flexible. The use of single bilingual forms will be established to cover nearly all the paperwork concerning the transport of goods.

Finally, the agreement establishes brief and peremptory time periods within which authorities are required to make decisions on customs and transport permits.

The formal agreement was signed by Chile's Carlos Silva, Argentine Transport Under Secretary Roberto Gabois, Bolivian Transport Coordination Under Secretary Jose Vasquez Blacud, Brazilian Transport Minister Jose Reinaldo Tavares, and Paraguayan Transport and Public Services Minister Porfirio Pereira Ruiz Diaz.

The agreement was also signed by Peruvian Transport and Communications Minister Luis Heysen Zegarra and Uruguayan Transport and Public Services Minister Jorge Sanguinetti.

The visiting authorities hailed the agreement as a vital contribution to the region's development and integration.

According to the Brazilian transport minister, the agreement represents "a qualitative breakthrough in the joint integration of the economies of these seven nations."

Tavares emphasized that the main goal of this agreement is the "modernization of the main transport [word indistinct] of the subcontinent," including port facilities and overland and river transport.

Cuba

Fidel Castro Not To Attend Nonaligned Meeting

PA0209221889 Madrid EFE in Spanish 2046 GMT 2 Sep 89

[Text] Belgrade, 2 Aug (EFE)—Cuban President Fidel Castro will not attend the summit meeting to which the chiefs of state of 102 Nonaligned Movement countries have been invited. The meeting, which will begin Monday [4 September], will take place in this capital. Diplomatic sources have reported that the Cuban president will be represented by his brother, Raul Castro, who will arrive in Belgrade tomorrow. The Cuban delegation will also include Vice President Juan Almeida and Vilma Espin, member of the Politburo of the Communist Party of Cuba.

According to observers, the situation in Panama could be the reason why the Cuban president has suspended his plans to attend the nonaligned summit.

Cuba is one of the 23 countries that founded the Nonaligned Movement in Belgrade in 1961. This will be only the second time that Fidel Castro will not attend a summit. The first time was in 1976 when he did not attend the Colombo, Sri Lanka meeting.

Cuba is the leader of a revolutionary group consisting of approximately 30 countries that traditionally have been in disagreement with the moderate position of Yugoslavia. According to observers, another important person who could be absent is King Hassan II of Morocco. King Hassan II is the only living chief of state from among those who attended the founding meeting of the Nonaligned Movement in Belgrade in 1961.

Havana Notes U.S. Breaks Relations With Panama

FL0109172789 Havana Radio Rebelde Network in Spanish 1700 GMT 1 Sep 89

[Text] Last minute news report that the United States has announced the breaking of diplomatic relations with the new Panamanian Government and the application of new measures to provoke the exit of General Manuel Antonio Noriega, head of the Panama Defense Forces.

According to the document issued by the White House and signed by President George Bush, some of the measures include reinforcing the freezing of funds of the Panamanian State. The communique also announces that the U.S. ambassador will not return to Panama, and that contact will not be maintained with Noriega's regime—a term that Washington is using for the government of President Francisco Rodriguez.

Further Reaction to U.S. Television Aggression

FL0109163989 Havana Tele-Rebelde Network in Spanish 1100 GMT 1 Sep 89

[Text] Our people have expressed their opinion on the "Tele-Aggression" program carried by the news services of Cuban television regarding the possible broadcasting of the so-called TV Marti. [First three speakers are interviewed out on the streets]

[Begin recording] [Unidentified Speaker No 1] We could see in this program that this is a new aggression by imperialism. Not only is it an aggression against our people, but it is also an aggression against the international laws. It is an aggression against its own people. It is evident that the main problem the U.S. people have is drug trafficking. The resources the United States is putting into this aggression it should use instead on the drug trafficking problem. They are also lying to the U.S. population, in the same way they are now trying to lie to the Cuban population with this type of intervention.

[Unidentified Speaker No 2] They [the United States] are always looking for a way to offend us and intervene in our problems. For me, they will never succeed in that, because the Cuban people do not pay attention to them. We are Cubans and have nothing to do with Americans.

[Unidentified Speaker No 3] Well, first of all, I think it is disrespectful to give the name of Marti to a [television] channel such as that one, which has been especially created to harass the Cuban revolution. I think that the public will respond appropriately, as it is used to responding.

[Unidentified Speaker inside an office] We are certain that, if at a certain time it is decided for TV Marti to operate, there will be a reaction from our government, party. The consequences may be pretty nasty within U.S. territory. I think this is something they should take into consideration. They cannot ignore U.S. opinion or world opinion. [end recording]

Castro Inaugurates Special Education School

FL0409205989 Havana Radio Reloj Network in Spanish 1953 GMT 4 Sep 89

[Text] Today, Commander in Chief Fidel Castro, first secretary of the Communist Party of Cuba Central Committee and president of the Councils of State and Ministers, inaugurated the Paquito Rosales Special Education School in Playa Municipality. This is the first of a group of similar projects that started in Havana.

At present, Fidel is touring the six new educational centers located in various municipalities. These centers will serve over 1,266 students. Of the special education schools planned for this year, we now have eight. These projects will permit an added 11,000 students to study in Havana.

The nation has over 466 special education schools and they serve some 56,000 children that have physical problems. The schools have the latest methods and technology available.

More on School Ceremony

FL0509011889 Havana Television Service in Spanish 0000 GMT 5 Sep 89

[Text] Today, Commander in Chief Fidel Castro, first secretary of the Communist Party of Cuba Central Committee and president of the Councils of State and Ministers, inaugurated six special education schools. The schools were built with the efforts of the minibrigades and Havana construction workers.

The educational centers will benefit over 1,200 children who have physical and behavioral problems. The centers are also a part of extensive social and economic construction projects which are being carried out in our capital.

Fidel spoke during the main ceremony, inaugurating the institutions. The ceremony was held at the Solidarity With Namibia Special School for Behavioral Problems located in La Lisa Municipality.

Hours before the inauguration, the commander in chief toured the six schools and was able to asses the quality of the construction work, as well as the love and dedication the educators and workers of the centers have for the children.

Castro Tours Cubana Airlines Crash Site

FL0409153789 Havana Tele-Rebelde Network in Spanish 1100 GMT 4 Sep 89

[Text] A regrettable accident occurred early yesterday [3 September] evening when a Cubana Airlines IL-62 M aircraft crashed as it was taking off from the Jose Marti International Airport. The final destination of flight 9046 was Milan, Italy. The plane was beginning to take off when it crashed approximately 1 km from the top of the Boyeros airstrip in Havana. Aboard the aircraft were 11 crew members and 115 passengers; 113 of them were foreign tourists and 2 were Cubans. Some 20 homes were damaged in the town known as Ludgardita in Boyeros, where the plane crashed. [video shows crashed airplane partly on fire, people searching on the site of the crash, Castro talking with various people at the site of the accident] Immediately after the accident took place, combatants of the Interior Ministry [MININT], Public Health Ministry units and personnel, workers of the Civil Aeronautics Institute, and other organizations, went to offer their assistance. The 13 Cubans traveling in the aircraft, all killed, were: Armando Oliveros Arguelles, captain aboard; Miguel Ruiz Ravelo, co-pilot; Fernando Rouco, flight engineer; Tomas Estrada Garcia, navigator; Leonardo Herrera Altuna, Angel Perez Martinez, Ariel Delgado Oller, Lucrecia Alfonso Valdes, Sara Pompa Bejerano, Madeline Salazar Valdes, and Nitza Guiraudi Colome, flight attendants. The two Cuban passengers were Jose Antonio Gonzalez and Edenia Rodriguez.

A state commission, headed by Division General Rogelio Acevedo, president of the Cuban Civil Aeronautics Institute, was created to investigate the causes of the disaster. A large number of comrades from Cuban television news services have been working since last night to offer the fullest coverage of the lamentable accident.

[Begin recording, in progress] [Reporter] ... tragic accident. Commander in Chief Fidel Castro went to the site and learned first-hand of the first rescue efforts carried out with the participation of area residents, MININT combatants, and public health personnel. Fidel acted interested in the progress of work to rescue the injured and their transfer to various hospitals in the capital, the conditions created there for their immediate attention, and the measures taken by area residents whose homes were destroyed or damaged.

[Castro] Yes, but the injured are important. How were they evacuated so quickly? How could they have been evacuated so quickly?
[Unidentified speaker] Because the ambulance headquarters is close by.

[Castro] How many ambulances came here?
[Speaker] Approximately 10 or 12 ambulances must have been there.

[Castro] They say 63 injured were pulled out, that there are 63 injured in the hospitals. To which hospitals were they taken to?
[Speaker] Miguel Henriquez, Calixto Garcia, William Soler, and National Hospitals.

[Castro] William Soler, National, Miguel Henriquez, and Calixto Garcia.
[Speaker] So far.

[Castro] Are there any at the Ameijeiras?
[Speaker] No. We have it ready....

[Castro, interrupting] Where are the main wards for burned patients?
[Speaker] They are at the Miguel Henriquez, which is the best of all, and at the Albarran Hospital.

[Castro] Were they also taken to the Albarran?
[Speaker] As they are classified, we have also the [word indistinct] to transfer them according to the severity of their injuries. There are also wards for burned patients at the Calixto Garcia Hospital.

[Reporter] What can you say about the instructions you gave to send a message or condolences to the Italian Embassy?
[Castro] The Italian Embassy has been informed about the accident that occurred and the approximate number of victims. We also sent condolences.

[Reporter] How many were killed, up to now?
[Castro] There are 2 Cubans and 113 Italians.

[Reporter] Later, Fidel visited the National, William Soler, and Calixto Garcia Hospitals, where he learned about the care being given to the injured, including the application of the skin growth treatment to burn patients.

[Castro] [Video shows Castro walking down a hospital corridor and talking to an unidentified doctor] There are two little siblings.
[First doctor] One is 6 and the other one is 9.

[Castro] What percentage of their bodies was burned?
[First doctor] No, they have mild burns. They have burns in their hands and a few in the thorax.

[Castro] Have you used the skin growth treatment?
[First doctor] Yes.

[Mother of injured children] The boy is 9 years old and the girl is 6. We are from Oriente. We came here approximately 4 months ago. We are living in Boyeros.

[Castro] Were you visiting there?
[Mother] Yes. We are staying at my aunt's house.

[Castro] At your aunt's house.
[Mother] All of a sudden we saw a ball of fire. I didn't hear when the plane crashed. I didn't hear anything.

[Castro] Was the house destroyed?
[Mother] Yes. I don't know.

[Castro] Was it under the path of the plane or at the sides?
[Mother] I don't know where the plane went by.

[Castro] But your aunt's house was not destroyed.
[Mother] I saw that it was on fire but it was not where the plane crashed. It crashed further up or further down. I don't know. I took my children to the streets and my aunt also came out. I don't know about them.

[Castro] Did they get some fuel on them? How were they burned?
[Mother] They were burned with the fire and the gas.

[Castro] But, I mean, was the house on fire? They were burned on their arms, isn't it so?
[Mother] Yes. Their arms.

[Castro] You didn't get burned at all.
[Mother] No, I didn't because I was at a neighbor's house getting a manicure and I came out when I saw the ball of fire.

[Castro] You went in to get the children.
[Mother] Yes, my aunt was already coming out with them. I got flames on my back.

[Castro] On you clothes?
[Mother] Yes. Since it had rained, I fell on my back....

[Castro, interrupting] You fell on your back. Was it raining or had it just rained?
[Mother] Yes, it was raining and plenty of water was coming down.

[Castro] You put out the fire yourself.
[Mother] I put out the fire myself and did not get burned at all. All I have is pain in my fingernail. The children were burned because apparently they were nervous and went out to the street. I grabbed them by the legs because they were leaving. They are going to stay in the hospital because I told the doctors that I also saw that they were choking with the gasoline or something. I splashed water on them that was flowing down the street and they were choking.

[Castro] You splashed them with water.
[Mother] I splashed them with the water that was contaminated with gasoline.

[Castro] (?I hope the kids recover).
[Mother] Thank you very much.

[Second Doctor] There are 18 critically-injured patients.

[Castro] Eighteen critically-injured patients. What percentage of their bodies are burned?
[Second doctor] Between 90, 100, 95, 80 percent.

[Castro] What is the lowest percentage?
[Second doctor] Of the critically injured patients? Around 80 percent.

[Castro] What are you going to do?
[Second doctor] All of them have been treated but we are going to transfer some to the Miguel Henriquez Hospital. We are going to begin transferring the ones who have stabilized.

[Castro] The best thing is to do everything that has to be done.
[Second doctor] We have to do everything. All the comrade doctors here [words indistinct] ....

[Castro, interrupting] The resource we have available that can make a difference to some of them is the skin growth treatment.
[Second doctor] I agree.

[Manuel de Jesus Limonta, director of the Center for Biological Research, approaches Castro. He is carrying a box] Here we have commander....

[Castro, interrupting] What do you have here? What do you recommend in such a situation, Limonta?
[Limonta] To begin applying it. Here we have enough for the first treatment of 60 critically-injured people. In addition, more began to be made for 500 critically-injured people. That is, 2,000 bottles. [Limonta takes a bottle out of the box and shows it to Castro]

[Castro] We have to have it in reserve. You have enough for 60 critically-injured people. Is it a cream or what?
[Limonte] This large bottle is enough for the first treatment of 60 cases. Tomorrow, we will have....

[Castro, interrupting] Yes, 60 cases. There is another thing. Do you recommend that it is applied immediately?
[Limonte] I do.

[Castro] Hours after the accident?
[Second doctor] It should be applied immediately.

[Castro] Did you already do this?
[Second doctor] We were the first ones to use this medication as soon as they got here. We applied it at the emergency room.

[Castro] Have patients with 75 percent of their bodies burned been saved here?
[Second doctor] Yes. They have been saved for sure.

[Castro] Those patients were not saved before?
[Second doctor] No, not even patients with 60-percent-burns. That did not use to happen.

[Castro] The only hope is this medication. Are you going to keep the most difficult cases?
[Third doctor] With the ones that have not [words indistinct]

[Castro] Has any one needed to be taken to the operating room?
[Third doctor] Not yet. What has been done is [words indistinct].

[Castro] What about those who have skull fractures?
[Third doctor] The neurologist is assessing the cases.

[Castro] Well, we are going to leave you so you can work. [end recording]

Since early last night, leaders of the party and state and chiefs of the Revolutionary Armed Forces [FAR] and MININT went to the site of the disaster. They gave their views to our comrades.

[Begin recording] [Jorge Lezcano, first secretary of the Communist Party of Cuba in Havana Province, at the crash site] As you can see, work is being done under difficult conditions. We must highlight the quick response the residents had. Some moments ago, the commander in chief came here and commented on the swiftness with which the people and all the residents of neighboring areas were mobilized to help everywhere they could.

[Unidentified firefighter] It looks as though the plane was unable to take off. According to the signs on the scene, the plane's tale was hitting the ground and destroyed all buildings located on its path. There was a heavy thunderstorm. It was raining heavily in this area. We believe that the area affected has a radius of approximately 1 ½ km considering the number of bodies we are recovering. The radius of the damages is between 1 km and 1 ½ km. A large number of buildings have been damaged in this area. We are working at this time in putting out the fire, lighting the area, and recovering the bodies of those who are on the surface. In the morning, we will have to work with the cranes, dismantling the buildings, and taking out the bodies that may be under them.

[Reporter] [Words indistinct] forces for the excavations?

[First unidentified speaker] The construction minister is here. He has all his team here. What happens is that the area is still too congested. We need a little more light. We are waiting for more light to begin working. We will work anyway.

[Second unidentified speaker] All the airport firefighters. 9 more fire engines came later. There was a very quick response. [end recording]

Castro Visits Hospitals

FL0409122689 Havana Radio Reloj Network in Spanish 1006 GMT 4 Sep 89

[Text] Commander in Chief Fidel Castro has visited the Havana hospitals treating the victims of the air disaster which occurred at the Jose Marti International Airport on Sunday [3 September] at approximately 1900. The accident took place as Cubana Airlines IL-62 M plane, bound for Milan, Italy, crashed when it was taking off. Some 20 homes located in Ludgardita neighborhood, Boyeros Municipality, Havana were destroyed.

Fidel, who also went to the crash site, toured the hospital centers accompanied by Colombian writer Gabriel Garcia Marquez. Fidel asked if the skin growth treatment was being used in the treatment of those who were burned. He was told it was being used together with other medications.

Aboard the aircraft were 11 crew members and 115 passengers; 2 Cubans and 113 Italian tourists.

Leader of the revolution Fidel Castro entrusted Armando Hart, member of the Communist Party of Cuba Politburo, to express to the Italian Government and people, through this country's embassy in Havana, his condolences because of the tragic plane accident.

Over 100 bodies had been received at the Forensic Medicine Institute by 0400 today, Monday. The bodies were from passengers and residents of (La Gardita) neighborhood where the plane crashed. Over 60 injured people are being treated in Havana hospitals.

A state commission was created to investigate the accident. It is headed by Division General Rogelio Acevedo, president of the Civil Aviation Institute.

The plan for massive admission of the injured in Havana hospitals and transportation of bodies at the Forensic Medicine Institute operated swiftly and efficiently. The identification of bodies is more difficult because they are foreigners.

Continuing Coverage of MININT Scandal

Abrantes Removed as Deputy

FL0109131789 Havana Radio Reloj Network in Spanish 0841 GMT 1 Sep 89

[Text] In Ciudad Escolar Libertad's Manuel Asconce Domenech Theater, the second session of the extraordinary meeting of the National Assembly of the People's have been taken. Public opinion is important and should be taken into consideration at the time the citizens are informed and given guidance. But the law cannot be manipulated or broken. It is impossible to go beyond the framework it establishes when it is applied.

There was a time during Case No 1, that public opinion was temporarily inclined toward benevolence for the main defendant. Some dissatisfaction was also noted in Case No 2 with the sentence requested for Jose Abrantes and others charged. In the former case, the course of the trial itself and the Council of State meeting banished that view. In the later case, explanations had to be made that the crime, that could have resulted in a more severe penalty, was not proven. The prosecution, the tribunal, and investigators, after extensively analysing the facts, were convinced that the former interior minister had not carried out fraudulent actions in the drug trafficking mafia of the MC Department.

Nevertheless, the experience of these proceedings has served to make understood that our laws need to be improved. Another important conclusion is that omissions have been noted in the Penal Code and in Military Penal Law. The most important ones are regarding illegal drug trafficking and the manipulation or concealment of information. Obviously, when those legal documents were written, it was hard to imagine that such actions could reach us. The blows received and the interest of protecting our society from such strains show us that these behaviors need to be classified specifically and sanctioned with exemplary severity.

Regarding Case No 2, some people have even asked why the law was not changed and more severe penalties applied. The laws are laws and, fortunately, we live in a state with laws. Greater penalties than the ones the laws establish cannot be applied and changes in the laws cannot have a retroactive effect, no matter how serious the moral and political actions may be.

Abrantes' case has also put on the agenda the need and possibility of increasing the penalties for the crimes of abusing a post and improper use of resources and even establishing capital punishment under certain circumstances. Of course, this matter will have to be examined by the appropriate organs of the party and state at the proper time.

In view of the behavior of Luis Orlando Dominguez, Diocles Torralba, and now, Jose Abrantes, each one of whom received the highest penalties the current laws establish for the crimes committed, many men and women among the population ask themselves how such actions can take place without being discovered sooner. First, it is necessary for our people to understand how exceptional these cases are. They involve people who enjoyed authority, trust, and prerogatives. They must be distinguished from actions taken by Tony de la Guardia's band, which is an expression of the cancer that had begun to corrode that state institution and was making its metastasis in criminal acts such as petit burgeois lifestyles, weakness, cronyism, and arbitrariness, among others.

Having recognized the exceptional nature of the acts, it has to be admitted that what happened shows deeper problems of society. We cannot be satisfied with the simplistic view that attributes all of these acts to lack of control. Good accounting or adequate economic and financial control is not enough to prevent such events. There will always be leaders and cadres to whom, because of the nature of their tasks, a large degree of authority and decision-making will have to be delegated.

Far from being effective methods of preventing these crimes, excessive centralization and generalized lack of trust could lead to even greater problems. We need to find true solutions by consistently improving the country's institutions and establishing principles, methods, norms, and mechanisms that exclude impunity and make the conditions in which these distortions find in this culture a medium impossible.

Let's say it clearly. A number of faults are present in what happened. They involve, in one way or another, all of the revolution's institutions. First evidence of this is that MININT, despite extremely delicate tasks, lacked an internal counterintelligence system. That is, the political and state leadership, among other sources, was informed about the rest of the world through the MININT, but it knew very little of what was really happening in the ministry itself. For its part, the MININT chiefs did not know about a good part of the problems occurring in the organization and concealed others they did know about to manipulate a false image of integrity and efficiency which already had begun to crack in many places.

There were times in which the top leadership of the party perceived signs that certain negative tendencies were developing in the MININT. Warnings were made and concrete guidances were given regarding the behavior of its cadres and officers such as reinforcing austerity measures, handing over recreational centers, restaurants, polyclinics, and other installations, which were being created in various provinces, to the people's government. Specific instructions were given for them not to get involved in commercial and enterprise activities unrelated to the functions of the ministry. These instructions were fulfilled partially or formally, in some cases, and were simply ignored in others.

Problems in the functioning of the party within the ministry were added to these deficiencies. The facts show that its organization was blocked in practice because its leadership had been placed in the hands of inconsistent and incompetent individuals. The attempts that some militants and leaders made in the core of the party to denounce or ask for explanations about the negative tendencies that were appearing were silenced. Of course, the responsibility of the party is not limited to the organizations that operate inside the MININT. It is

Government [ANPP] corresponding to the sixth mandate period was held in Mariano.

There was only one subject on the agenda: removing Jose Abrantes Fernandez, who on 27 November 1986 was elected by this Havana municipality as a deputy, from the ANPP. After the meeting was held, according to guidelines established with the Council of State, Commander in Chief Fidel Castro's response arrived stating that the proceedings should continue.

The delegates of the municipal people's government in Mariano made several speeches on Abrantes' deviant conduct. Later, the delegates cast their votes. The unanimous decision was to remove Abrantes as a deputy to the ANPP.

GRANMA Comments on MININT

FL0209181689 Havana Tele-Rebelde Network in Spanish 1300 GMT 2 Sep 89

["Text" of GRANMA editorial: "Let's Learn the Lessons and Go Forward" published 2 September]

[Text] The Military Tribunal has imposed sentences in Case No 2 of 1989. The outrage on the law and ethic of the revolution has been cleaned away. The guilty ones received the appropriate sanctions. Nevertheless, the entire nation perceives that the problems faced in the country this summer go much further than a handful of corrupt and disloyal men. The working people, with their infallible wisdom, feel that these months have been decisive and historic. Therefore, the most important aspect does not end with the tribunal's decision. Perhaps it is only the beginning. The main results are the teachings and thoughts the entire society and party should get from this bitter lesson.

The rectification has fulfilled very serious objectives so far but, undoubtedly, we are entering a much more far-reaching stage of the process. Perhaps in the future, these events that have shaken up the country, can be perceived as a turning point of a deep improvement of the revolution's institutions, policies, and morale.

The essential thing about the situation we faced, first, with the wiping out of the Ochoa-De la Guardia drug trafficking mafia and, now, with the no less despicable and dangerous corruption and phenominon of breakdown in the Interior Ministry [MININT] leadership itself, is that it is not a matter of activities carried out by enemy agents, but by our own people. What has been dealt with is not a clash between revolution and counterrevolution. The grave and hard lesson of these events consists of how, without having to join the enemy, men who have been militants of our cause can, nevertheless, bring us worse harm than any other counterrevolutionary and, actually, serve the goals of imperialists, who do not give up their intent of destroying us.

Therefore, the first and foremost consequence which is derived from this process is of having categorically reaffirmed a vital principle, the respect of the law and that it is applied to any citizen equally, no matter how high his political or hierarchy may be. We do not know how many countries in the world can comply with this principle, in a real and informal manner. Cuba can do it as it has demonstrated in an eloquent and courageous way in these last few days.

There is no, and there will never be, impunity for those who violate the legal and ethical principles of the revolution, regardless of their merits and positions. The more political or state responsibility a citizen has, the greater is his duty to behave with dignity and honesty in his public and his personal behavior.

The conscious respect of the law is not simply a legal problem. This has been said many times and it is worth recalling now. It was not the case for our Mambises [soldiers who fought for Cuba's independence from Spain] of last century, forgers of the Cuban nation, who, partially clothed and hungry, took on the greatness of a republic in arms in the fields of free Cuba. At that time, they had the idea of a fatherland which was worth fighting and dying for, and the legitimacy of the liberating effort.

In this way, the unrestricted subordination to the law constitutes today the key of a deep ideological and political definition. The ideas of patriotism, independence, socialism, and revolution go through here now. What kind of a revolutionary can a person be if he does not respect the law and moral values and thinks he can act as if he belongs to a cast placed above all and everything? What concept of solidarity can a person have if he is not capable of having solidarity with his own compatriots?

What kind of socialism and revolution can one talk about when there is no sensibility to realize that it is precisely privilege, arbitrarity, abuse of and distancing from the masses, that are among the main roots of the difficulties that are throwing the socialist system into confusion today, which was created, precisely, to wipe out those calamities of capitalism?

These proceedings have shown something more. Once the law has been broken, we have been capable of dealing with this delicate and exceptional situation within a strict legal framework. There has been no crisis. The revolution has remained unshakable, safe, and calm. It has been consistent with itself, with its examplary history, and has placed itself above any emotional reaction before these outrageous cases of treason and disloyalty. The country's institutions, with moral values and authority, have fulfilled their role and have been able to impose order, sanction the guilty ones, and begin a work that will prevent such crimes from being repeated in the future.

The support of the people has accompanied and encouraged the revolution in these testing months. Nevertheless, actions have not been taken to make public opinion [tendencias de opinion] happy. Such actions would never bitter to acknowledge that in fact this organization was acting outside of the control of the party most of the time.

In this sense, deficiencies of party leadership in the provinces are noted. It is essential to find the formulas to guarantee the compartmentalization and secrecy in the work of the MININT, on one hand, and the party's assessment of the organization's activities and vigilance in any situation that could have political implications, on the other hand. In the provinces, the MININT has also given way to distortions and negative tendencies. As a rule, they have not been made known through party channels.

The leadership role of the party at the national level has to refer to the work of the ministry in a more comprehensive and thorough way of taking into consideration that this organization, because of its nature, has a high-level influence on the stability and political and moral atmosphere of society. Nevertheless, this is not the case of the ministry alone, but of all the other state organizations and political and mass organizations.

The party is called upon to play, to the fullest consequences, its role of leadership, guidance, and control. There cannot be gaps. One of its activities should consist of establishing rules that permit regulating certain aspects of the behavior of leaders and cadres. We have a clean and strong party. There is no place in it for corruption or convenience. As a rule, its cadres are a model of austerity, dedication, and modest life. This is a decisive guarantee in the process we are now developing. But a serious self-reflection should lead us to the idea that improving society also includes improving the party and that it is not only the subject but also the object of rectification.

The MININT has, among its main tasks, the defense of the revolution's safety and internal stability. Safety in a country like Cuba is, in the first place, an ideological and political matter.

It is not exclusively limited to the technical and professional work of the combatants dedicated to that front, although this is important and even essential. But it is a matter that covers much more. It is the unity of the people with the revolution, it is the trust in the men who have power, it is the prestige, morale, authority, and example of correctness of the leaders. The negative phenomena discovered in the MININT, unavoidably led to a weakening of our security in all these areas.

The psychological and morale impact of these events has been even stronger because of the clash between reality with the image of merit and the historic role of the institution. Of course, such an image is just but, at times, it was promoted and blown out of proportion by its own chiefs, perhaps as a justification to attribute to it a special material, social, and political status.

This in no way denies the legitimate merits of the combatants of security and interior order agents. It is important to understand that in the life of the revolution there are events that are already part of the combative glory of all the people such as Giron, the fight against bandits, and internationalist missions. It is senseless to attempt to divide them and stress the contribution one organization in particular has made in an isolated manner.

We understand the shame, the bitterness, and even the initial shock many MININT comrades may feel. We think of the men and women who joined the organization when they were very young and have dedicated practically their entire life to the defense of the revolution. We think of the honest and dedicated combatants who saw how a cadre policy was applied, which, in essence, was contravened. They painfully witnessed the rocketing promotions to ranks and responsibilities that were not supported by merits or competence, while other combatants, who did deserve them, were ignored.

We think of the loyal comrades who worked during the gradual corruption of chiefs and cadres, who watched with impotence how the institution was deteriorating and saw how tolerance, cronyism, and complicity proliferated. The situation went as far as creating groups, true fiefdoms, clashing for positions of power and resources. This honest mass constitutes the foundation and good part of the MININT's mid-level cadres. They should see that the rebuilding of the ministry is taking place as a painful and undelayable necessity, the response to their true interests and motivations.

This is not the time for useless laments. We should not be disheartened or allow ourselves to be dragged down by senseless speculations, resentments, and other attitudes proper to petit burgois chapels. This is a revolutionary time and it offers to all the ministry's loyal combatants a place of work and honor.

The fraternal union of these combatants with the chiefs and cadres of the Revolutionary Armed Forces [FAR], who have gone to work at the MININT on a basis of demands and principles, will be the key for this institution to recover from its setback so it can soon respond with pride to what the people and the revolution expect of it. No one should fear that the security of the country is weakened. The new cadres who are assuming these tasks are very capable and well-trained comrades. They come from a political and ethical school that guarantees the implementation of truly revolutionary methods.

Our sworn enemy, the U.S. Government, and its agencies for subversion and aggression, should not make erroneous assessments of what is happening in Cuba. We know that the CIA had information on Cubans participating in drug trafficking operations months before these actions were denounced and it did not use it. Undoubtedly, it was keeping it to maximize the political impact at the right time.

Likewise, it would not be strange if the Yankee's special services had indications of some of the cases of officers involved in the MININT corruption and breakup problems and were waiting for this process to deepen even more. We have acted in time. We have destroyed these expectations. If imperialists were waiting to find a gap, as a result of relaxing principles, they are going to bump into an immovable wall. Our people have been completely informed of the events.

Once more, the party has told them the truth, no matter how unpleasant and painful, certain of their maturity and political development. This has been and will continue being a line of principles of our revolution. We do not have the slightest doubt that we will come out of this test much stronger and that, from now on, our revolution will go forward with increased force in all the spheres, despite the economic limitations and the difficult external circumstances we are experiencing. Above all, we have to understand that we are working for the 21st century. To clean society of malignant cells such as these, to improve to the maximum our efforts, establish solid institutional, ethical, and political foundations for the Cuba of the future is a historic task the generations of today cannot leave unfinished. We will not leave it unfinished.

As Commander in Chief Fidel Castro justly said, there cannot be two worlds in our country, only one, the world of workers. There cannot be two truths, the truth of the heroic battle for development against difficulties our people are waging and the truth of privileged, venal, and squandering cliques. The great lesson of these last months is that of the unshakable will of the party, people, and the FAR to make this objective a reality. Let's learn the lessons they have left us. Let each revolutionary make a strict analysis of our behavior; let's turn these blows into a renewed strength and go forward. This is what we have to do.

Over 600 Internationalists Honored at Cacahual

FL0109183789 Havana Tele-Rebelde Network in Spanish 1700 GMT 1 Sep 89

[Text] Over 600 internationalists have participated in a ceremony at the Cacahual Memorial. The young combatants, who have victoriously returned from the historic mission in the brother People's Republic of Angola, paid tribute to General Antonio Maceo Grajales and his assistant Captain Panchito Gomez Toro, and to Comrade Blas Roca Calderio. During the ceremony which was presided over by Julian Rizo Alvarez, alternate member of the Communist Party of Cuba Central Committee Politburo, Comrade Valdes Vivo spoke.

[Begin recording Dr Raul Valdes Vivo, identified by caption] Today we emotionally invoke the eternal heroes of the fatherland who fell in combat, but who live in the hearts of all Cubans. The heroes, above all, form the river of soldiers which did not vacillate about being stained with blood when facing the enemy. The heroic children of the fatherland have known how to defend it, and in the common struggle with you, they have formed eternal friendships. [end recording]

* Deficiencies in Tourist Accommodations Described

32480196a Havana BOHEMIA in Spanish 23 Jun 89 pp 55-57

[Interview with Erasmo Brito, assistant director of services for Turhoteles, by Alberto Pozo; date and place not given]

[Text] "The avalanche of tourists that we are experiencing is too much for the current hotel network," says Erasmo Brito, assistant director of services for Turhoteles, the enterprise that manages these facilities in Havana. "In fact, today we have less than half as many hotels as we did before the Revolution. There were over 50 hotels, although we could extend the list to 90 if we counted small units that were also used in the past. And we would have to add no fewer than 180 pensions and a few apartment-hotels. Today only 18 are operating, although they are better."

Brito began working in Santa Cruz when he was practically a teenager; then he moved up to Guanabo and the Cotorro. When the Revolution triumphed he was in the downtown Monte y Prado district, and he has always remained in the hotel and restaurant circuit that the Spaniards describe with the single word "hosteleria."

"There is a complementary aspect that aggravates the situation," adds Brito. "The nonhotel network is very weak and of poor quality, so not only the guests but all consumers besiege the current hotels. I don't know if it would be feasible, given the resources available, but it does seem to me that it would be a good idea, at least in the summer, as happens on carnival days, to create a varied network of supply along the capital's shoreline."

Salvage the Ballrooms

[BOHEMIA] Don't you think that as a recreational counterpart, the network of the many ballrooms that used to operate on Saturdays and Sundays in Havana should be salvaged? I now live in a little town that has been incorporated into the city, San Francisco de Paula, and the neighbors tell me that there used to be two societies that gave dances every weekend. They also used to enjoy the grounds of the Modelo Brewery, which are no longer there....

[Brito] Sure, I'm in favor of that. And not just in San Francisco, but in all neighborhoods it used to be the same. We have the El Prado district, for example. Don't you remember the ballrooms run by the Gallego, Castellano, Asturiano, and other Centers?

[BOHEMIA] Of course! One of them was right next to the Hotel Inglaterra. There was another one above what is now the Budapest Restaurant. Then there was the Casino Espanol, and certainly others that escape my memory. And I can tell you about the Open Air features at Monte and the Payret Theater, each with a cafe and a women's orchestra. I especially remember the Dorado, across from what is now a bookstore, and the area around the Hotel Saratoga.

Take Advantage of Hotels

[Brito] El Prado was full of hotels: Saratoga, Biarritz, where a multipurpose facility is now being built, Siboney, Sevilla, Regis, Park View, Packard, Caribbean,...in Monte, the Isla and the Nueva Isla....

[BOHEMIA] Sure, at Prado and Neptuno was the Hotel Telegrafo. Aren't there any plans to make use of that space?

[Brito] At least on paper there are plans to convert that block into a hotel complex. We are also reconstructing the Sevilla, one of the traditional hotels, and the Plaza. And of course, jumping to another place, I can't wait to see the day when we finish the capital reconstruction of the most beautiful and best-situated of them all, the Nacional.

[BOHEMIA] And what about the others?

[Brito] That will depend on the funding and their physical condition. But the fact is that to take advantage of the tourism boom that is upon us, in the capital we can make use of those old facilities and bring them up to code, although it will be necessary to improve the nonhotel network and salvage at least the ballrooms to respond to domestic demand as well. Right now there is no slow season; all year round is high season.

Those That Should Remain

[BOHEMIA] You know, my concern is the work force....

[Brito] There are those who live on tourism and those who live for tourism. The latter are the ones who should remain in the sector. Employees should be selected on the basis of vocation, in addition to other political and moral conditions. Here's an example: The bartender should be a communicator, a man of broad knowledge who can give his customers guidance. But today, some don't know anything about anything. Basically, it is a matter of indolence. There is a whole group in this sector who have no love for or pride in their work. Current labor legislation is, in part, very benevolent; it conspires against quality. A specific case is that of the seniority system. The person may treat customers badly, but if he is on the bureaucratic list for promotion, he is promoted. We must do away with that insidious overprotection. Other factors that are to blame are the notion of quotas and the content of work in the qualifying criteria, which have narrowed the perspective. A man's life cannot be reduced to a piece of paper. I agree with a concept that is in vogue now, that of suitability, but as long as it works in favor of meeting the tourist's demands: quick, healthy, and efficient service, with human communication that creates spiritual ties.

Main Problems

[BOHEMIA] What do you think are the main problems facing tourism today?

[Brito] The deficient technical-structural state of some facilities and equipment. If the air conditioning doesn't break down, then there's no hot water or the elevators don't work, or we have a leak. At the same time, there are supply shortages. Sometimes we have plenty of cabbage or bacon, and then we go for a long time without them. There's no regularity. We depend on overall production; in other countries, such as Spain and Bulgaria, there are specific production plans for tourism. Each one should function in its sphere professionally, as we are required to do and are trying to do. Because tourism is not carried out by the National Institute of Tourism (INTUR), Cubanacan, or any other entity; it has to be the responsibility of the entire country. In this case, we are all hosts. A serious problem we are now facing is the lack of water. The Presidente is able to function only because it receives 40 tanker loads a day. The Colina is in the same situation, and at this time even the Triton and the Inglaterra are operating that way. Each tourist uses a cubic meter of water, and they want it on demand. We must find a provincial solution. Another problem: Our hotel network is 25 years behind the times.

To Serve Is Not to Be Servile

For this reason, we must change our ways and get with it so that we can keep up with the dynamic market in this industry. For example, we have converted the old cafeterias into "snack-bars." Thus, we can serve a drink, a snack, a glass of fruit juice, or a cup of cafe au lait wherever the customer asks for it. We have to create new lines of products, with alluring names and colorful appearance. For this reason, we are working actively on the hotel "marketing mix," which translates into making every effort to satisfy a variety of demands. Conceptually, we must create a man who regards service as the essence of his life. And to serve is not to be servile. It is the professional side of what in the home consists of treating the visitor kindly and making him feel a desire to return. Moreover, this treatment establishes in him a kind of spiritual bond because he has been so well treated. That is the secret to making sure the tourist returns. And this return rate is what guarantees stability and progress in our industry for the benefit of the country, for the benefit of all.

Two Arrested for Grand Theft Auto

FL0109134089 Havana Radio Progreso Network in Spanish 2230 GMT 31 Aug 89

[Police Report]

[Text] Two citizens with no links to employment and with previous penal records took a green "Muskovy" car, license plate No PA8054, that was parked at the intersection of Cristina Street and Velazco Hain Street in Havana's Habana Vieja Municipality.

To carry out this criminal action, the culprits broke in through the vehicles left door, disconnected the ignition wires, and started it. Later, when the owner recognized his vehicle had been stolen, he stopped a patrol car that was passing by the intersection. The patrolmen immediately reported the crime to PNR [National Revolutionary Police] headquarters. This report was then distributed to all PNR mobile patrols.

Thanks to the swift action by the agents of internal order, a few hours later the vehicle was seen on Fabrica Street heading toward Puerto Avenue, in the same municipality. The car was being driven by one of the criminals who stopped the vehicle and began to run after spotting the PNR patrol. The other criminal was immediately apprehended. Soon after, the delinquent who fled was captured, thanks to the assistance given by some citizens who also participated in his capture.

For now, both of the accused have had charges filed against them and are in provisional prison. They will remain here until they appear before the corresponding tribunal that will judge and sanction them for having violated existing laws.

Barbados

Prime Minister in Favor of Panamanian Elections

FL0109183189 Bridgetown CANA in English 1727 GMT 1 Sep 89

[Text] Bridgetown, Barbados, Sept 1, CANA - Barbados has urged Panamanian military strongman Manuel Noriega to hold "free elections" urgently.

Prime Minister Erskine Sandiford said in a statement released on Thursday night that efforts should be redoubled to arrive at a peaceful solution in keeping with the laws of Panama, and "fulfilling the just aspirations of the Panamian people for political and social harmony."

Elections in Panama on May 7 this year were declared null and void with Noriega's opponents claiming victory.

Sandiford expressed support for an unanimous call by foreign ministers of the Organisation of American States for a transfer of power on Friday.

"The government of Barbados is concerned that any deterioration of the situation in Panama could lead to an escalation of tensions in the region, with the gravest consequences for the peace and security of the hemisphere.

Diplomatic Relations With Panama To Continue

PA0509043189 Madrid EFE in Spanish 0011 GMT 5 Sep 89

[Text] Bridgetown, 4 Sep (EFE)—A spokesman for this English-speaking Caribbean country's Foreign Ministry has told EFE that the Barbadian Government will not break diplomatic relations with Panama as was recently done by Jamaica.

However, Peter Laurie, spokesman for the Barbadian Foreign Ministry, said that his government will demand measures to guarantee free elections in Panama.

Laurie said that it is not customary for his country to break existing diplomatic ties.

Approximately 2 days ago, when economist Francisco Rodriguez was appointed new president of that Central American country, Barbadian Prime Minister Erskine Sandiford said that Barbados was concerned about the political situation in Panama.

Rodriguez assumed the duties of the office of president today after being sworn in on 1 September.

Sandiford said that the Panamanians must be free to choose their own destiny. However, he did express concern for the situation in that country which has caused tension throughout the continent.

This weekend Jamaica announced its decision to break diplomatic relations with Panama in apparent protest for the remaining in power of General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces.

Grenada

Prime Minister Blaize Launches New Party

FL0109131889 Bonaire Trans World Radio in English 1130 GMT 1 Sep 89

[Text] Grenadian Prime Minister Herbert Blaize has launched a new political party in the wake of resignations from the former New National Party [NNP]. The new party is called the National Party. It has Mr Blaize as political leader, Deputy Prime Minister Ben Jones as deputy political leader, and Minister of Education George McGuire as chairman. The formal birth of the new party came just 1 day after the NNP made a formal decision to expell Mr Blaize, Mr McGuire, Mr Andrews, and Mrs Pauline Andrews. They were charged with misconduct for avoiding meetings of the NNP Executive.

Other Leaders of New Party Noted

FL0109211089 Bridgetown CANA in English 1829 GMT 1 Sep 89

[Text] St. George's, Grenada, Sept 1, CANA—Grenada's Prime Minister Herbert Blaize launched his new political party on state-owned Radio Grenada on Thursday night.

"Today I have been mandated by my colleagues to formally launch The National Party [TNP]" Blaize told the nation.

The announcement formalised Blaize's break from the New National Party (NNP) which won Grenada's last elections in 1984 but whose term of office has been marked by internal dissension.

Blaize said he would be the TNP political leader and appeared to brush aside speculation that an old injury to his spine, which severely curtails his movements and confines him mostly to a wheelchair, would place him at a disadvantage leading a party into an election campaign.

"I have been persuaded by my colleagues that, although I cannot run races or lift weights, I still have a contribution that I should make ...," Blaize said.

Blaize's deputy political leader in the TNP is Ben Jones, his long time political associate and minister of foreign affairs, agriculture, and tourism. Among other members of the executive announced by Blaize are George McGuire, minister of education, as chairman; and Ben Andrew, minister of communications and works, as chief party organiser.

Blaize's fall-out with the NNP was hastened with his defeat as political leader last January by Dr Keith Mitchell who called for a change of leadership and direction in the party. The end came in July when Blaize dismissed Mitchell as minister of communications and works. He also dismissed Lawrence Joseph, NNP chairman who was a senator and minister of state.

Two Mitchell supporters subsequently quit the government to leave Blaize with only five other members on his side in the 15-member House of Representatives. He avoid almost certain defeat in a no-confidence vote late last month by proroguing Parliament to allow him time to organise his new party.

Constitutionally, this gives the prime minister 6 months before another meeting of the house must be called. However, it is unlikely that there will be another meeting before the next general elections as the term of office of the government expires on December 28. No meetings of the house can take place after that date and elections must be called within three months.

The NNP, formed in 1984, won 14 of the 15 seats in elections of that year but five persons defected in 1987 to form the opposition National Democratic Congress. That reduced Blaize's support in the house to 9 and that figure was reduced to 8 when he dismissed Mitchell.

There was a further reduction to 6 when, after Mitchell's dismissal, two cabinet members, Danny Williams, minister of health; and Grace Duncan, minister of state for women's affairs, resigned.

Gairy Denies Intentions of Joining GULP, NNP

FL0409165189 Bridgetown CANA in English 1518 GMT 2 Sep 89

[Text] St George's, Grenada, Sept 2, CANA— Unlike other opposition party leaders, former Grenada Prime Minister Sir Eric Gairy says he isn't worried about the halt to parliamentary meetings here.

The Grenada United Labour Party [GULP] will not take any immediate action arising from the prorogation of Parliament last month, Gairy told a news conference.

"Sometimes," he said, "it is better to let things take their natural course."

This may be the hand of God writing on the wall, Gairy said, and when the hands of mortals interfere, they spoil the speed with which circumstances move on "within a path designed by the hand of nature, the hand of the holy cosmic."

Prime Minister Herbert Blaize last month prorogued Parliament shortly before he was to have faced an opposition vote of no-confidence he was expected to lose.

Resignations and sackings have reduced Blaize's majority in Parliament. The government side now has only six MPs [Member of Parliament], compared to the six of the opposition and the two opposition groups were supporting the vote.

Gairy, who for over a year has complained of poor eyesight, appeared, at the press conference, to have difficulty seeing.

He has said he will not be a candidate in the elections constitutionally due by next March unless his sight is restored by God and he was asked yesterday whether he had made up his mind on this matter.

"This is not a matter of making up my mind," he said. "My mind is made up and I think I will have my sight ready to participate fully in the forthcoming elections."

Sir Eric said he has been accused of pretending to be blind so that he can claim a miracle and influence the voters. He denied this and said that rather than lie about his eyesight, he would prefer to be out of politics.

Gairy called the news conference mainly to deny claims by the "INFORMER" newspaper that his party is joining with the New National Party (NNP) of Dr Keith Mitchell.

GULP has never joined any party nor accepted any party to join GULP, he said.

Prime Minister Blaize, who recently sacked Mitchell as public utilities minister, has pulled out of the NNP and launched his own party.

Gairy said Mitchell had phoned him and said he thought leaders of political parties in Grenada should "do something" about the fact that Prime Minister Blaize has prorogued the House of Assembly in what appears to be a move to avoid a "motion of no-confidence" against him.

"Keith Mitchell knows the order of seniority so far as political leadership is concerned in this country," Gairy said, "and he knows the priority given to political parties in Grenada. I don't come second to anybody. We don't follow or trail anybody. I cannot join Keith in a political forum. If he or anybody wishes to join me, they can join."

Bishop Murder Appeal Trial To Resume November

FL0409165689 Bridgetown CANA in English 1700 GMT 2 Sep 89

[Text] St George's, Grenada, Sept 2, CANA— Sir Frederick Smith, president of the Grenada Court of Appeal, has urged the "international community" not to get the wrong impression that the Maurice Bishop murder appeal is taking too long to be completed.

"We are not like Cuba or Iran where you can just take people out and shoot them the next day," he said Friday [1 September].

Sir Frederick said while it is true that the incident giving rise to the appeal took place six years ago, it must be remembered that the trial was not completed until late 1986 and that it took more than a year after that to prepare and print the voluminous record.

It must be remembered too, he said, that the court of appeal cannot devote all its time to the Maurice Bishop murder appeal but must deal with all appeal cases in the Grenada courts.

Before the court are the appeals of thirteen men and one woman condemned to death for the murder of Prime Minister Maurice Bishop and others on October 19, 1983. Three men found guilty of manslaughter arising from the same incident have also appealed.

Addressing the court Friday, defence counsel Howard Hamilton said that, of the seventeen accused persons, the trial judge, Justice Dennis Byron, had had before him signed statements allegedly given to the police by thirteen.

The judge had held a number of voir dire (trials within the main trial) on all thirteen of the statements to ascertain whether they had been given voluntarily, he said, but five of these statements were not confessions and did not in any way incriminate the persons who had made them.

"The jury were not present for the voir dire," Hamilton said, "and the effect of the judge's action was toe shroud, in the jury's mind, all thirteen statements with an aura of guilt by association."

Hamilton said also that the trial judge should have told the accused they had the right to recall witnesses who gave evidence at the voir dire and have them give their testimony before the jury.

This is a "tricky area," he said, and even some lawyers do not know that witnesses who give evidence in a voir dire can be called to testify before the jury. The accused in this case were unrepresented by counsel, Hamilton said, and the judge should have advised them of their rights.

Before the court adjourned on this last day of the current sitting, it was decided that the next sitting will start on November 27 and continue to December 15.

Haiti

Government Imposes New Austerity Measures

FL0409122789 Bonaire Trans World in English 1130 GMT 4 Sep 89

[Text] The Haitian Government has imposed new austerity measures. State-run television indicates the measures include broad new taxes and higher import duties. The television reports say the plan came as a result of pressure from the IMF which cut off aid to Haiti in 1987. That occurred when Haitian elections turned violent and were suspended.

Haitians Create Front Against Repression

PA0109233389 Paris AFP in Spanish 1345 GMT 1 Sep 89

[Text] Port-au-Prince, 1 Sep (AFP) — Some 25 political, labor union, social and professional organizations today announced in Port-au-Prince the creation of a Front Against Repression and for the Defense of Human Rights in Haiti [Frente Contra La Represion, Para la Defensa de los Derechos Humanos en Haiti].

These organizations reported 60 human rights violations (arbitrary arrests, mistreatment of prisoners including women, and assassinations) "perpetrated in the past 2 months by the local authorities, the military, or the death squads."

Among the organizations composing the front are the Autonomous Federation of Haitian Workers [Central Autonoma de los Trabajadores Haitianos, CATH], one of the three main labor unions in the country; the People's National Assembly [Asamblea Popular Nacional, APN], a radical opposition group; the League of Haitian Former Political Prisoners, [Liga de Ex-Presos Politicos Haitianos, LAPPH]; and the National Association of People's Organizations [Asociacion Nacional de las Organizaciones Populares, ANOP], which groups various neighborhood committees in the capital and the provinces.

Three Haitian political parties of centrist tendency, the National and Agricultural Industrial Party of Louis Dejoi II; the Movement for National Development [Movimiento para el Desarrollo Nacional, MDN] of

Hubert De Ronceray; and the Movement for Organization of the Country, of Gesner Comeau and Gerard Philippe-Auguste also announced they have reached a political agreement.

Another centrist leader, Marc Bazin of the Movement for the Instauration of Democracy in Haiti [Movimiento Para La Instauracion de la Democracia en Haiti, MIDH] announced that soon he will publish a joint political program with Serge Gilles of the Haitian Revolutionary Progressive Nationalist Party [Partido Nacionalist Progresista Revolucionario Haitiano, PANPRA] and Dejean Belizaire of the center leftist National Patriotic Movement of 28 November [Movimiento Nacional Patriotico del 28 de Noviembre, MNP-28].

The Provisional Haitian Electoral Council, CEP, should give the official date of the next general elections in the country shortly.

Jamaica

Diplomatic Relations With Panama Broken

FL0209192289 Bridgetown CANA in English 1818 GMT 2 Sep 89

[Text] Kingston, Jamaica, Sept 2, CANA—Jamaica on Friday broke diplomatic relations with the Central American country of Panama.

A Foreign Ministry statement said the government decided "to withdraw recognition of the present regime in Panama and to discontinue official contact with it".

The decision comes in the wake of strongman General Antonio Noriega's announcement that he had appointed two of his own people as interim president and vice-president of Panama.

A Foreign Ministry statement late Friday night said that the Jamaica Government was "deeply concerned" by the latest development in Panama "which indicates that the regime headed by General Noriega is persisting in its determination to flout the will of the Panamanian people".

Noriega's announcement made it clear that he intended to retain power "at all costs," the government here said. Consequently, the people's desire to express their democratic rights in choosing a government in fair and free elections would not be fulfilled, it added.

Noriega has been under fire here because of controversial elections—later cancelled—that independent observers said had been won by the opposition. The Organisation of American States has been trying to get a solution to the Panamanian political problem.

In view of the failure of diplomatic efforts by the OAS to force Noriega to agree to a return of democratic practice, the Jamaica Government decided in these circumstances "to withdraw recognition of the present regime in panama and to discontinue official contact with it," the Foreign Ministry said.

Jamaica was among several OAS members who deplored the annulment of the May 7 elections in Panama.

Trinidad and Tobago

Millions of Dollars Worth of Marijuana Destroyed

FL0209033089 Bridgetown CANA in English 2328 GMT 1 Sep 89

[Text] Port-of-Spain, Trinidad, Sept 1, CANA—Trinidad and Tobago has destroyed TT1.1 billion dollars worth of marijuana in the last 20 months, Prime Minister A.N.R Robinson said. Robinson gave a rundown on anti-drug raids at the opening of a new Army facility at Camp Omega.

The Trinidad leader said that 431.8 million dollars (one TT dollar; 23.5 U.S. cents) worth of marijuana had been destroyed this year. The 1989 haul consisted of destruction of 500,000 fully grown trees, 100,000 seedlings, 300 pounds of dried marijuana, and 2,000 dried trees, Robinson said.

On Wednesday, the government signed an agreement to get United States equipment to help fight the cocaine trade in its continuing anti-drug fight. National Security Minister Selwyn Richardson signed the U.S. 270,000 dollar agreement with U.S. Ambassador Charles Gargano. The money is to buy four rough terrain vehicles, two interceptor boats, and fund a local substance abuse clinic and the National Committee on Alcohol and Drug Abuse.

Japan's Kaifu Arrives in Mexico, Talks Previewed

OW0509024989 Tokyo KYODO in English 0204 GMT 5 Sep 89

[By Tim Johnson]

[Text] Mexico City, Sept. 4 KYODO—Mexican President Carlos Salinas de Gortari, noting that Japan and other major Asia-Pacific players have begun placing greater emphasis on the need for enhanced regional cooperation, will remind Japanese Prime Minister Toshiki Kaifu on Tuesday that his nation too is part of the increasing dynamic Pacific Basin.

Kaifu arrived here Monday for a three-day official visit in which Pacific cooperation is expected to be high on the agenda.

"People are beginning to talk more and more of a so-called 'Pacific Era'—a promising new stage of development in which Japan could play a major role," said a Mexican diplomat serving in Tokyo.

De Gortari pledged in his inaugural speech last year that Mexico would attach greater importance to the Pacific rim in its traditionally north- and southward-oriented foreign policy, staking Mexico's future economic development on the dynamism of the region.

Taking advantage of the first visit by a Japanese premier in eight years, Mexico is expected to solicit Japan's support in its bid to swap observer status for full membership in the Pacific Economic Cooperation Conference (PECC), a nongovernmental regional forum.

Originally proposed in 1980 by the late Japanese Prime Minister Masayoshi Ohira and then Australian Premier Malcolm Fraser, the 15-nation forum is set to hold its sixth meeting in New Zealand in November.

"Mexico will attend once again as an observer, but we have received many signals of sympathy from the Japanese Government in the sense that Mexico would be most welcome to become a full member," the Mexican diplomat said.

At the summit in Mexico City, however, Japan will likely steer clear of any overt commitment of support.

"The issue will probably be raised in the meeting," acknowledged a Japanese Foreign Ministry official in Mexico City.

But while Japan "welcomes" Mexico's participation in the grouping "in principle," it has reason to be uncomfortable with the subject, he said.

"We have to respect the willingness of ASEAN nations in particular—we don't want to impose our will in the forum of PECC," the official explained.

Another official suggested ASEAN members may not be too keen on the idea of having their weight in the regional body diluted by the entry of Mexico and other Latin American countries. Even the Soviet Union has expressed a desire to join.

The issue was expected to arise either in a luncheon meeting between Kaifu and Salinas on Tuesday, or in talks earlier that day between Japanese foreign minister Taro Nakayama and his Mexican counterpart Bernardo Sepulveda Amori.

"The only thing we'll be able to tell them is that we will consult with ASEAN countries on the matter," a Japanese official said.

The 15 full members of the economic forum are Australia, Canada, China, Japan, New Zealand, South Korea, Taiwan, the U.S., the six members of the Association of Southeast Asian Nations (ASEAN), and a grouping of South Pacific nations.

Each country or region is represented by one individual each from the three fields of government, business and academia.

The two sides at the summit will also likely discuss Australian Prime Minister Bob Hawke's proposal for a new mechanism for Asia-Pacific economic cooperation, which will be the topic of a ministerial conference in Canberra in November.

While eager to enter PECC, Mexico is less enthusiastic about getting involved with the new proposal.

"There is a current trend toward integrating a new international forum, but a very formal one ... a bloc," explained the Mexican Diplomat in Tokyo.

"But to our knowledge, Japan remains very, very cautious ... And certainly Mexico is not planning to participate actively in any of these schemes" the diplomat said.

While Mexico has not requested it be allowed to send an observer to Canberra, "certainly we would like to be kept informed," the official said.

Mexico has also been opposed to the idea of joining the U.S. and Canada in a sweeping free trade zone, saying that it is not economically prepared for such a move owing to its relative economic backwardness.

Leaders Discuss Cooperation

OW0509043589 Tokyo KYODO in English 0357 GMT 5 Sep 89

[Text] Mexico City, Sept. 4 KYODO—Kaifu and Foreign Minister Taro Nakayama touched down in Mexico City to an honor guard welcome after visits to San Francisco, Washington and Boston.

Kaifu, the third Japanese premier to visit Mexico within the past decade, is expected to tell Salinas that Japan will help solve the Latin American country's debt and environmental problems.

"Japan will join in a partnership with Mexico in its bold challenge toward prosperity and development," said Kaifu in his arrival statement.

While relations between Japan and Mexico have leaned heavily on oil and trade in the past, Salinas has said he wants to have a more "dynamic" relationship with Japan, encompassing political dialogue and exchange in the fields of science, art and culture.

His talks with Kaifu are likely to produce an agreement on initiating regular high-level political dialogue, Japanese Foreign Ministry officials said.

The officials said Kaifu will tell Salinas that Japan will actively engage itself in tackling such Mexican problems as external debt, the environment and earthquake disaster prevention.

Kaifu will announce that the Japanese government has agreed to facilitate the extension, ahead of schedule, of 1.4 billion dollars in governmental loans to Mexico out of a 2.05 billion dollar three-year-package.

The loans are to support a debt-relief accord reached recently between Mexico and its creditor banks on the 54 billion dollars it owes them.

They are part of a fresh lending program announced by the International Monetary Fund (IMF) and the World Bank to support the so-called Brady Plan, under which Mexico will be the first to benefit.

Kaifu will also announce Japan's willingness to consider financing up to two-thirds of a 3-billion-dollar Mexican government program to combat atmospheric pollution in the capital.

Japan's contribution of 1 to 2 billion dollars will come out of a three-year, 300-billion-yen environmental aid program announced by then Prime Minister Sosuke Uno at the Paris economic summit in July.

Kaifu will announce that Japan has decided to dispatch a second environmental assessment team to Mexico City in October to clear up loose ends, after which Japan's contribution to the program will get under way.

Danish Private Sector Investment To Increase

PA0109231089 Mexico City THE NEWS in English 30 Aug 89 p 4

[Text] With the planned increase in Danish investment in Mexico, a new chapter in commercial relations will open between Mexico and the European Economic Community (EEC), said Danish prime minister, Poul Schlueter, at a press conference Tuesday.

Schlueter said that he could not give an exact figure on the amount of Danish investment since the money will be coming from the private sector and not the government.

The Danish prime minister said that during meetings with President Carlos Salinas de Gortari, they did not discuss specific projects but agreed to increase cooperation in agriculture and use Danish investment to increase production.

Schlueter said that the discussions between him and Salinas, "went even better than I had hoped."

The European common market is not only an advantage for member nations, but can be beneficial for Mexico as well, Schlueter said. With the cooperation of the EEC, Mexico need develop only one international policy for all 12 nations.

Opposition Claims Fraud in Veracruz PRI Victory

PA0409214789 Buenos Aires REUTER in Spanish 2030 GMT 4 Sep 89

[Text] Mexico City, 4 Sep (REUTER)—Mexico's ruling Institutional Revolutionary Party (PRI) announced today that it leads in the legislative elections held on Sunday, 3 September, in Veracruz State, but the opposition is claiming fraud and has requested that the elections be annulled.

The PRI said that, with 10 percent of the votes counted, it led the elections in all 24 electoral districts.

Nevertheless, leaders from the center-left Party of the Democratic Revolution (PRD) and the center-right National Action Party (PAN) said that PRI followers stole ballot boxes, intimidated voters, and blocked the participation of opposition observers.

There were reports of violent episodes in several districts, and the opposition accused the PRI of using violence to encourage absenteeism, which was estimated at approximately 80 percent.

"The elections (on Sunday) were a tremendous fraud," said PRD leader Sergio Lopez Galvan, adding that his party is considering several ways to protest throughout the state.

Hundreds of PRD followers held vigils throughout the night in front of public buildings and also blocked highways.

Other parties requesting the annulment of the elections were the Popular Socialist Party and the Authentic Party of the Mexican Revolution.

The legislative elections in Veracruz—where 24 seats are gained through direct elections and 16 are by proportional representation—were preceded by weeks of pre-electoral disturbances in Michoacan State in central Mexico and Oaxaca in the southern part of the country, where the PRD has accused the PRI of having won the elections through fraud.

Elections are scheduled to be held in seven other states before year's end.

PRD Members Leave 20 Municipal Offices

PA0509031189 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 4 Sep 89

[Text] Democratic Revolution Party [PRD] sympathizers the night of 3 September abandoned 20 of the 75 municipal offices they had taken over in Michoacan. Upon instructions from their national directorate members, the PRD peacefully abandoned the municipal offices, according to reports from the state's assistant government secretariat. It was also reported that the 55 municipal offices which are still under the PRD members' control might be abandoned 4 September.

Parties Agree on Need To Amend Electoral Law

PA0109231689 Mexico City THE NEWS in English 30 Aug 89 p 3

[By Kim Lopez]

[Text] Amidst heated debate, occasional insults and spurts of ludicrous behavior, during Tuesday's second extraordinary session two deputies from each of the Chamber of Deputies' political parties presented their views on Mexico's political situation.

Consensus exists among the parties regarding the urgent need for reforms to the Electoral Law so that the electoral process is more modern, legitimate and truly democratic.

The country's political situation, along with party positions on recent government decisions regarding economic issues dominated the nine-hour session.

Twelve deputies took to the floor, representing the ruling Institutional Revolutionary Party (PRI), the National Action Party (PAN), the Party of the Democratic Revolution (PRD), the Popular Socialist Party (PPS), the Authentic Party of the Mexican Revolution (PARM) and the Cardenista Front for National Reconstruction (PFCRN). Included was a member of a newly formed political alliance of defectors from other parties, called the "Group of Eight."

Regarding the bankruptcy declared by authorities at the Cananea Mining Company, Deputy Rogelio Montemayor Seguy (PRI), said the defense of workers' rights by the government is an "unquestionable matter; this is and will continue to be a fundamental premise of Mexico's modernization."

Montemayor underlined that the reopening of Cananea is also unquestionable because "the labor force cannot and will not disappear." The PRI deputy added that his party "will struggle so that workers can participate in the capitalization and future management of the company."

The role of the state in the country's economic development was another issue that Montemayor summoned for discussion.

"Cananea and Mexicana de Aviacion (the state owned airline undergoing privatization) are important chapters in the radical restructuring process that is being carried out by the state, with a nationalistic and revolutionary spirit," Montemayor indicated.

Deputy Francisco Ortiz Mendoza, PPS parliamentary coordinator, contradicted Montemayor's position, calling for the improvement of state-owned firms and not their elimination or privatization.

"Either we give our resources to foreign or private capital or we continue to follow the path to strengthen the economy's state-run sector to consolidate our independence," Ortiz Mendoza stated.

Government Puts Silver Mine Up for Sale

PA0209000589 Mexico City THE NEWS in English 30 Aug 89 p 4

[Text] Just a week after the federal government declared the bankruptcy of Mexico's largest copper mining concern, the Cananea Mining Company, another state-run mine is on the selling block, the Secretary of Programming (SSP) and Secretary of Finance (SHCP) revealed Tuesday.

Because of a need to expand operations, La Compania Real del Monte y Pachuca, a silver and gold mine just south of Mexico City, is being sold to capitalize on social and private sector investments, the officials said.

The company has already disincorporated its property that relates to the company's historical and social significance and is operating only as a mine.

The SPP authorized the sale June 15 with the approval of the Secretary of Energy, Mining and Parastatel Industry (SEMIP). Five days later the SPP designated the mining specialist bank, Banca Cremi, to act as seller on the government's behalf.

During the first half of the year Real del Monte produced 1.1 million ounces of silver and 5.6 thousand ounces of gold. During the same time 1.272 million ounces of silver were sold and 4.4 thousand ounces of gold were sold, officials said.

The two secretaries also mentioned the government is in the process of disincorporating 13 other state-run companies. Of these, two are inactive trust funds, three are real-estate companies in the process of being liquidated—as well as a company known as Servicios Sociales Industriales—and 7 companies are for sale as is the case with Real del Monte.

The government recently began the process of selling off many of its state-run companies, mainly non-profitable ones, to stimulate private investment.

Police Discover 'Clandestine Air Base' in Sonora

PA0209214289 Hamburg DPA in Spanish 1750 GMT 2 Sep 89

[Text] Mexico City, 2 Sep (DPA)—According to government reports in Mexico City today, the police have found a clandestine air base used by international drug traffickers in Sonora, in the northern part of the country.

The base, located near Providencia, a small town in the municipality of Cajeme, was one of the refueling centers for aircraft used by Colombian drug traffickers to fly cocaine to the United States.

The police said they found at the site 106 drums of 200 liters each of turbine fuel, two power pumps, and a fuel truck modified to hold 3,000 liters.

Officials of the Deputy Prosecutor's Office for Investigations of Drug Trafficking have described the find as "key" to the antidrug struggle against international kingpins, because the number of clandestine flights from South America will now be limited.

The discovery resulted from the arrest of the chief of police of a nearby village, Rodolfo Cuevas Cofey, who admitted he had provided protection for the landing and refueling of planes from Colombia.

Cuevas said he was paid 10 million pesos ($4,000) for every landing. He did not reveal, however, the number of landing operations he protected.

The police also detained a woman, Gloria Emma Parra Paez, whose home, located in the center of Providencia, was used to store turbine fuel.

The authorities said they will continue their investigations to try to find more of these clandestine bases to effectively combat drug trafficking. With no turbine fuel available, the drug traffickers' planes will not be able to return to their points of origin to load more drugs.

Railroad Workers Refute Company's Claims

PA0209014289 Mexico City THE NEWS in English 30 Aug 89 p 4

[Spotlight Column]

[Text] Reports from the national Railways of Mexico claiming their engines are in excellent condition are false, said Hector Quintana Martin, head of the Workers Democratic Movement. He said the firm illegally "appropriated" some 300 billion pesos to strengthen union leadership against those who criticize the railroads or the union. Martin Martinez Aguilera, a retired railway worker, disclosed that pensions are "on 500,000 pesos a month." Quintana Martin told a press conference Tuesday "obsolete and worn out equipment is responsible for 90 percent of accidents." He showed papers that prove that the railroad had paid more than 1 billion pesos to union leader, Jorge Peralta Vargas.

Environmentalists Criticize Nuclear Plant Testing

PA0409031189 Mexico City THE NEWS in English 25 Aug 89 pp 1,5

[Text] Reactor Numer One at the Laguna Verde (Veracruz) nuclear power plant Thursday reached a high of 30 percent generating capacity, the Federal Electricity Commission (CFE) announced.

Reacting swiftly to the announcement, several environmental protection groups decried the government's "lack of willingness" to shut down the highly controversial Laguna Verde operation, in the wake of what the groups call "serious accidents" that have allegedly occurred in the past few weeks during the plant's startup procedures.

The CFE said this week's power generation tally at Laguna Verde reached 11.076 megawatts per hour, which is still a fraction of nationwide power needs.

Earlier, the CFE has acknowledged claims by ecological groups that residual water containing radioactive material from the plant was being dumped into the Gulf of Mexico. The CFE claimed the residual water was nonradioactive, and pledged it would discontinue the practice.

"Liquid and gas emissions from the plant have remained at insignificant levels all week. [sentence as published] Liquid waste was only at 7.3 percent of the authorized level, while gas emissions were fractional (less than 1 percent). At the same time, environmental radioactivity has been at insignificant levels," the CFE said in a statement.

Responding to allegations that an unusually high number of emergency stoppages in the operation of Reactor Number One is proof of the plant's inefficiency and potential danger, the CFE said that virtually all stoppages have been due to the highly sensitive nature of the computerized security equipment that runs the reactor. "Stoppage number 14, which occurred this week, was caused by an erroneous low-level reading. Most others have been like that," said the CFE.

Belize

Polls Stay Open Late To Facilitate Voting

FL0509023589 Bridgetown CANA in English 0054 GMT 5 Sep 89

[Text] Belmopan, Belize, Sept 4, CANA—Some of Belize's 102 polling stations remained open late Monday in the face of an evening voting surge.

Originally, they were to have closed at 6:00 pm (local time), but some were kept open because of long queues.

Areas where voting was heavy around the closing deadline included Caribbean Shores, Prime Minister Manuel Esquivel's constituency; and Fort George—both in Belize City.

Observers here said stations were being kept open late to facilitate only those persons who were in the queue at 6:00 pm and that no new voters were being allowed to enter the lines.

The late voters included the employees of several city business, which closed a few hours early to facilitate voting.

Police and electoral officials said the poll was incident-free.

The election is a straight fight between the United Democratic Party [UNDP] of Esquivel and the People's United Party [PUP] of former Prime Minister George Price, 70.

The UDP won 21 of the 28 seats at stake in the last general election, in 1984, with the rest going to the PUP.

While Esquivel is predicting a landslide win, like the 1984 one that ended 30 years of unbroken power for price, the PUP is forecasting a narrow victory.

"The question is not whether we're going to win, but by how much more than last time," Esquivel, 49, told supporters.

Costa Rica

Arias Asks Region To 'Freeze' Panama Relations

PA0109173189 Paris AFP in Spanish 1645 GMT 1 Sep 89

[Text] San Jose, 1 Sep (AFP)—Costa Rican President Oscar Arias has called on Latin American countries to freeze relations with Panama, which starting today will be ruled by a de facto government.

This is "a very dark day," because the will of the Panamanian people, as expressed in the annulled elections on 7 May, has been betrayed, Arias told the media after learning about the installation of a new, unconstitutional government in the neighboring country.

"We will not send our ambassador to Panama for the time being," said the Social Democratic president, who pointed out that most Panamanians had voted for opposition candidate Guillermo Endara in the last elections.

Costa Rican Ambassador Jorge Emilio Regidor was recalled at the beginning of the year and has remained in San Jose.

Panama's Council of State, comprised of 60 members of all branches of government and the Armed Forces, appointed Comptroller Francisco Rodriguez as president and former Foreign Minister Carlos Ozores as vice president on 31 August. They are supposed to call new elections after 6 months if the United States suspends the sanctions imposed on Panama in 1988.

The Costa Rican president criticized the "apathy and lack of interest" of many Latin American countries, which did not support a firm position on the Panama case at the OAS.

Minister Previews Summit Planned for 27, 28 Oct

PA0209201889 San Jose Radio Impacto in Spanish 1830 GMT 2 Sep 89

[Text] The presidential summit that will be held in Costa Rica on 27 and 28 October will be one of the most significant events in the country's history and will render huge benefits in all aspects, Planning Minister Jorge Monge Aguero has said.

Therefore, Minister Monge urged all citizens to recognize the great importance of this event. He added that all Costa Ricans should become aware of the significance of this unprecedented event in the history of our country. State and private enterprises and all citizens should help within their possibilities so that we come out well from this big challenge. Emphasizing the importance of this summit and the benefits it will bring Costa Rica, Minister Jorge Monge pointed out that this activity will result in great political benefits because more people, at the international level, will get to know Costa Rica as a peaceful nation celebrating 100 years of democracy.

This event will result in benefits in the economic, social, and environmental aspects, Minister Jorge Monge stressed. In the economic aspect, this means benefits in tourism and trade, attracting more private investors to our country, and a greater acceptance of our export products in international markets. In the social aspect, it will bring new prospects for international cooperation that will undoubtedly benefit the most needy sectors in the country. In the environmental aspect, we will report our country's efforts to preserve the environment and perhaps could receive more assistance to continue these efforts, Monge Aguero emphasized.

Arias Expresses Solidarity With Colombia's Barco

PA0309031689 Hamburg DPA in Spanish 1827 GMT 31 Aug 89

[Text] San Jose, 31 Aug (DPA)—Costa Rican President and Nobel Prize winner Oscar Arias today expressed solidarity with Colombian President Virgilio Barco in "his total war against drug trafficking."

Arias sent a note to Barco today stressing: "We are witness to your courageous struggle against corruption and your effort has become known outside Colombia."

He added: "What people deserve nowadays is bread and peace."

Arias stressed: "Your current crusade is supported by me, my government, and the Costa Rican people."

The Costa Rican president noted: "International solidarity must be on the side of Colombian President Barco."

Finance Minister Tenders Resignation 1 Sep

PA0409202089 Hamburg DPA in Spanish 1929 GMT 1 Sep 89

[Text] San Jose, 1 Sep (DPA)—The cabinet of President Oscar Arias suffered a new loss today when Finance Minister Fernando Naranjo tendered his resignation. Naranjo, who had been working with President Arias since 8 May 1986 said: "From now on, I will be devoted to private activities. I believe I have fulfilled my duty as minister."

Unofficial reports indicate that Naranjo will join the team of Carlos Manuel Castillo, National Liberation Party (the ruling party) presidential candidate, and will work for him on the 4 February 1990 elections. Naranjo added: I have notified President Arias that my decision is irrevocable."

Guatemala

Government To Continue Relations With Panama

PA0209034889 Panama City ACAN in Spanish 2005 GMT 1 Sep 89

[Text] Guatemala City, 1 Sep (ACAN-EFE)—Julio Martini, Guatemalan acting foreign minister, has reported that Guatemala will continue its relations with the Panamanian Government, now presided over by Francisco Rodriguez.

Martini said Guatemala practices the Estrada doctrine, whereby relations are maintained with peoples, rather than rulers.

Martini reported that General Rodolfo Lobos, Guatemalan ambassador to Panama, was recalled for consultations on instructions from Acting President Roberto Carpio Nicolle.

The foreign minister also said the consultation with Ambassador Lobos has to do with changes in Panama yesterday, when Rodriguez was appointed to replace Manuel Solis Palma. Martini said he does not know how long Ambassador Lobos will stay in Guatemala.

Recalls Ambassador

PA0409021389 Panama City ACAN in Spanish 0141 GMT 4 Sep 89

[Text] Guatemala City, 3 Sep (ACAN-EFE)—Guatemalan Deputy Foreign Minister Julio Martini reported today that Acting President Roberto Carpio has recalled General Rodolfo Lobos Zamora, Guatemalan ambassador to Panama, for consultations.

Martini said that Gen Lobos "may stay indefinitely in Guatemala," and immediately added that this did not imply a withdrawal of the Guatemalan ambassador but a diplomatic step envisioned in international agreements.

Lobos was instructed to return over the weekend "to report in more detail" on the political situation in Panama, after Francisco Rodriguez was appointed as new Panamanian president succeeding Manuel Solis Palma.

"The recall of ambassadors for consultation are for an indefinite time and therefore the government may eventually decide to order Ambassador Lobos to stay for a longer time in Guatemala," Martini said without further elaboration.

State of Siege May Be Imposed 'at Any Moment'

PA3108205289 Guatemala City Radio Nuevo Mundo Network in Spanish 1200 GMT 31 Aug 89

[Text] The president of the Chamber of Free Enterprise has said the escalation of violence is becoming unmanageable. The government minister must guarantee the safety of citizens, but he has shown that he is incapable of doing so. Far from solving the problem, the crisis is worsening. Therefore, Government Minister Roberto Valle Baldizan should resign so that this problem can be solved, Dionisio Gutierrez, president of the Chamber of Free Enterprise said.

He stressed that the situation is serious, particularly now that we are about to begin the electoral process, because instead of being the site of a civic event, Guatemala might be hurled into bloodshed. This might unfortunately remind us of the past, because just 18 months from the elections, Guatemala is confronted again with an unmanageable amount of violence and this is rejected from all points of view, Gutierrez added.

In concluding, Dionisio Gutierrez condemned the murder of entrepreneurs and humble peasants. He urged the government to investigate the murder of politicians Danilo Barrillas and Ramiro Castillo, as well as some humble peasants. Gutierrez feels a de jure state should prevail, with a respect for the lives and properties of others.

Meanwhile, the leadership of the Coordinating Committee of Farming, Commercial, Industrial, and Financial Associations, CACIF, met with the acting president of the Republic. It was learned from sources close to the government that they discussed the economic program proposed by the government and which was announced on 25 August.

According to our sources close to the government, the representatives of the productive sector of the country and Acting President Roberto Carpio Nicolle also discussed the violence prevailing in the country and the way the law enforcement authorities are coping with the problem that has already taken a toll on several victims. No details were disclosed as to the mechanisms that the government will adopt in order to halt the wave of terror that has taken over the country, the same sources disclosed, claiming that the mechanisms will be announced jointly with the security plan that the acting president will make public in a few days.

A state of siege might be imposed at any moment, as this is one of the alternatives the government has left for controlling violence, particularly the terrorist actions, said Government Minister Roberto Valle Baldizan. The minister added that it is not necessary to wait for President Vinicio Cerezo to return to the country.

Defense Minister Favors National Dialogue

PA0109142689 Guatemala City EL GRAFICO 31 Aug 89 p 11

[Text] Guatemala City, 31 Aug—National Defense Minister Division General Hector Alejandro Gramajo on 30 August said, during a visit to the National Reconciliation Commission, CNR, headquarters, that the Army could possibly send representatives to the national dialogue.

The minister's visit occurred during the afternoon and, although he said he was returning the CNR members' two previous visits, it became an opportunity to exchange ideas and viewpoints.

Gen Gramajo not only talked with the CNR members but with each one of the commission presidents, who availed themselves of his presence to ask some questions and present some proposals.

The visit represents the first time that the Army has directly involved itself in the national dialogue.

Some of the commissions are analyzing national problems—such as human rights, democratization, and political issues—and they have complained several times about the nonparticipation of "political and economic power groups, such as the Army, the government, and the CACIF [Coordinating Committee of Farming, Commercial, Industrial, and Financial Associations]."

That was mainly what prompted the commission representatives to renew their request that "the Army participate in the national dialogue for the sake of peace and dialogue."

Nevertheless, Gen Gramajo—who arrived accompanied by Army spokesman Colonel Jorge Arturo Isaacs—reminded them that "the government has representatives at the dialogue and we are part of the government." He also reminded them that "we cannot directly participate because the Constitution says we cannot participate in the discussions."

Eventually, and given the arguments used by the commission representatives, he said there is a possibility that the Army might participate in the dialogue, although indirectly.

This could possibly be achieved by sending some Army specialists to "explain" certain issues but not to participate in the debates, he warned.

His interlocutors agreed that it is advisable for the Army to participate, even in this way, because this helps the discussion of certain issues and "improves the debate."

Bodies Found of Two People Tortured, Shot

PA0209034689 Hamburg DPA in Spanish 0226 GMT 2 Sep 89

[Text] Guatemala City, 1 Sep (DPA)—Two bodies, new victims of the Guatemalan violence, were found today shot to death in the United Nations park, about 22 km south of Guatemala City. Both bodies bore signs of having been tortured, their hands tied behind their backs, with a coup de grace shot through their foreheads.

Despite numerous people visiting the morgue to try to locate missing relatives, the bodies had not yet been identified this afternoon.

At first it was thought they might be two of the seven kidnapped university students. Many messages have been addressed to the government demanding an immediate investigation.

This afternoon, the Association of University Students (AEU), trade unions, and members of the human rights group "Mutual Support Group" (GAM), marched to demand from the government the reappearence of the kidnapped [words indistinct].

Meanwhile, the disappearance of another student has been reported. He is Hector Salvatierra, a National University student of journalism, bringing to eight the number of students kidnapped during the past few weeks.

Honduras

Government Not To Appoint Ambassador to Panama

PA0309175989 Panama City ACAN in Spanish 1720 GMT 3 Sep 89

[Text] Tegucigalpa, 3 Sep (ACAN-EFE)—A spokesman of Honduran President Jose Azcona reported today that Honduras will not send an ambassador to Panama until the political situation in that country improves.

The opposition's people's party announced by the Somozist newspaper LA PRENSA ended up being another failure, just as everything else that the opposition tries to do.

The so-called UNO failed to agree on who it will nominate as its presidential and vice presidential candidates.

Last night, in addition to disorder, there was an uproar near the stadium where UNO held a meeting when 200 upset UNO supporters recognized that the UNO had not made any decision.

The candidate of the Somozist guard newspaper and of the U.S. Administration obtained 5 of the 10 votes she needed to become the UNO presidential candidate out of the 14 votes cast by the leaders who vote for and elect the candidates.

Great UNO voter Azucena Ferrey, who just arrived from the United States and is already a UNO leader despite the little affection that Mrs Barrios feels for her, was an important element last night, because she handled the dollars and the promises to deliver those dollars with the authorization of the United States and related foundations and associations.

Speaking of dollars: According to well-informed sources who attended the UNO meeting, each vote for presidential hopeful Barrios was worth between $150,000 and $350,000, but not even that mechanism worked, because some people wanted more and more money.

It was said that a so-called leftist voter who is one of the leaders of the rightist UNO angrily responded to a money offer by saying: My dignity cannot be bought with cordobas and we would have a lot of trouble trying to find a bank to deposit dollars.

Parties Agree on Document

PA0209230689 San Jose Radio Impacto in Spanish 2144 GMT 2 Sep 89

["Text" of a document drafted by the Nicaraguan Opposition Union (UNO) and the presidential and vice presidential candidates on 2 September—read by announcer]

[Text] The 14 UNO member parties and the presidential and vice presidential candidates, who have signed this political document, hereby solemnly pledge the following:
1. The signatory parties and their tickets will be comprised of...a blank space which follows to be filled in with the names of the candidates for president and vice president.
2. The candidates for president and vice president, elected by the Nicaraguan people during the electoral campaign, once they assume office as president and vice president, will unconditionally comply with the UNO platform. A UNO coalition government will be formed with representatives of all parties. This coalition government will operate based on great democratic unity. The UNO political council will act as a permanent consultative council with the president and vice president. The candidates agree in this document to obey this consultative council's decisions. This agreement binds the signing candidates to strictly obey it.

Violeta Barrios Chamorro Chosen

PA0309001689 Paris AFP in Spanish 2334 GMT 2 Sep 89

[Text] Managua, 2 Sep (AFP)—After a meeting that lasted several hours, the National Opposition Union [UNO] today designated Violeta Barrios de Chamorro, 50, LA PRENSA owner and director, presidential candidate for the February 1990 elections.

The opposition coalition, formed by 14 parties that included widely diverging trends, also chose Virgilio Godoy, 55, as UNO vice presidential candidate.

It has been reported that five rounds of votes were held because, although Barrios de Chamorro was elected presidential candidate by consensus, her nomination was strongly contested by Godoy and businessman Enrique Bolanos, who was supported by the far rightist sectors.

Chamorro Makes Statement

PA0309042089 San Jose Radio Impacto in Spanish 0226 GMT 3 Sep 89

[Statement by Mrs Violeta Barrios de Chamorro in Managua on 2 August—recorded]

[Text] Dear fellow countrymen: The National Opposition Union [UNO] today appointed me candidate to the Presidency of the Republic for the February 1990 elections, with Dr Virgilio Godoy as the vice presidential candidate. This is not a victory for Violeta and Virgilio, it a victory for Nicaragua. It is a victory for all the people in my country because they see that the UNO's monolithic unity has become a reality, comprised of legitimate representatives of all the political and ideological groups of Nicaragua, which have pledged to achieve peace throughout our nation. It is also a victory for a government platform that will restore democracy in Nicaragua after more than half a century of dictatorships and totalitarianism. It is a victory for all Nicaraguans who hope to start the national reconciliation that has been precluded by the current regime up to now, given its refusal to decree the general amnesty it had promised.

Furthermore, it is a victory that allows the possibility of embarking on the great task of achieving the economic, social, and moral reconstruction of our homeland—heretofore immersed in poverty, backwardness, and desperation. Above all, it is a victory for the hard-working people who no longer want to live in poverty. It is also a victory for Nicaraguan mothers who no longer want to see their families divided, and for the young men who no longer want to carry a rifle or kill their brothers.

In fact, the Honduran Government does not recognize new Panamanian President Francisco Rodriguez, who was appointed president by a General State Council—of which General Manuel Antonio Noriega, chief of the Panama Defense Forces, was a member—and inaugurated on 1 September.

President Azcona's Press Secretary Lisandro Quesada told ACAN-EFE that the Honduran Embassy in Panama has not had an ambassador for over 1 year because of the internal conflicts Panama has been experiencing.

Quesada said: "Our embassy in Panama has been leaderless. We were waiting to see which course the Panamanian situation would take, but because the situation has in fact worsened, for the time being there is no possibility that we will appoint a Honduran ambassador to Panama."

Quesada explained that, "for now, Honduras solidly backs legitimate governments, governments that were elected by the people in honest elections."

Honduran President Jose Azcona, who is in New York at present, believes that Panamanians "deserve a democratic government" and that Gen Noriega "cannot violate the rights of an entire people."

Nicaragua

U.S. Embassy Policy on Visas Assessed

PA0209152989 Managua Radio Sandino in Spanish 1218 GMT 2 Sep 89

[Text] The U.S. Embassy in Managua on 1 September announced that the procedure for Nicaraguan citizens to obtain visas will have to be conducted in other Central American countries. A communique issued by the U.S. Embassy attempts to blame the Nicaraguan Government for this measure. The U.S. Embassy press release states that in the future visas will have to be obtained in other countries due to a shortage of personnel at the consulate. The measure is due to the Nicaraguan Government's refusal to authorize the entry of more personnel for the U.S. Managua Embassy. However, the communique does not mention that Washington previously adopted this same measure. Despite Nicaragua's continuous appeals to normalize relations and begin a dialogue process, the U.S. Government insists on continuing the tension between the two countries. The U.S. Embassy in Managua issues very few visas for entry into the United States except for some visas issued to politicians connected to the United States and their inseparable companions. It seems that the embassy is concealing some other intentions and seeks to increase its personnel in view of the upcoming elections in Nicaragua.

Because of its own decision, Washington has not replaced its ambassador to Nicaragua since Richard Melton was expelled due to obvious meddling in the internal politics in our country.

UNO Postpones Presidential Candidate Election

PA0109175089 Managua Radio Sandino in Spanish 1200 GMT 1 Sep 89

[Text] The meeting to nominate the UNO [Nicaraguan Opposition Union] presidential candidate ended yesterday, 31 August, in a resounding failure. The UNO had to postpone the nomination of its candidate for tomorrow, 2 September.

The intense conflicts and clashes within the rightist UNO were the cause of the meeting's failure. The hopefuls did not even obtain the necessary votes to be elected presidential candidates.

Five voting rounds were not enough to nominate the UNO candidate and the voters were forced to call a 1-hour recess.

The arguing began at 2000 and in less than 40 minutes, the UNO leaders decided to suspend the voting process and postpone it until 2 September. The argument reached its point of highest tension when [Enrique] Bolanos obtained four necessary points so that Violeta Barrios [Chamorro] could be nominated as presidential candidate. [sentence as heard]

Virgilio Godoy was another strong opponent of Mrs Barrios. Godoy faced the rejection of the UNO labor unions, which threatened public demonstrations against the UNO if Godoy was elected as the UNO presidential candidate.

Violeta Barrios' supporters were left with everything they had prepared to celebrate their triumph. They were going to celebrate Barrios' triumph at her house in Las Palmas.

Approximately 200 UNO supporters, who attended the UNO meeting only to help to make up a crowd, were very angry in view of the catastrophic results of the meeting and left the meeting shouting that if this situation continues, UNO will not win the elections.

A supporter of [opposition leader] Miriam Arguello, who was eliminated as a presidential hopeful during the first few voting rounds, said that if there is no consensus among the 14 UNO leaders regarding the presidential nomination, much less would it exist among the UNO rank and file.

The voting rounds will continue—although with a new mechanism—on Saturday, 2 September. The parties will present a presidential and a vice presidential hopeful in one single formula and the UNO leaders will have to vote for the formula of their preference.

The final UNO communique stated that because the discussions were leading nowhere, UNO decided that the best way to nominate a presidential candidate would be by voting for joint formulas that would bring harmony among the various political currents. That statement showed the internal disagreements within the rightist coalition.

Today is a day of hope for Central America because, according to the Esquipulas Agreements, UNO's decision sponsors a civic and democratic solution. We will soon be able to begin the region's full recovery and [words indistinct] seek aid for our development.

Today is a day of victory for the entire world because we are struggling to achieve peace. Peace in the world has been consolidated today with the possibility (?of carrying out) UNO's plans to put away weapons and put the tanks in museums. Peace in the world has been strengthened today because UNO will be able to restore democracy and achieve progress. That is the best guarantee for a firm and everlasting peace.

It is a day of pledges for me, and I will fulfill those pledges. I have a commitment to the parties that comprise UNO, which has chosen me to help them so that the people triumph on 25 February 1990. I have a commitment to the downtrodden sectors of our country, which have withstood the burden of the Somozist dictatorship and suffered the consequences resulting from 10 years of Sandinism.

I also have a commitment to the Nicaraguan people's friends, who have given the best (?part of their lives) for many years, even if their own lives [passage indistinct] the dream about democracy, peace, and progress in our homeland.

I have a special commitment to thousands of Nicaraguans who now live in exile and silently cry for their homeland—I carry them all deeply in my heart—and a commitment to the blood of my husband, Pedro Joaquin, who began a beautiful struggle that I must carry on to the end.

I know that we are strongly supported by most of the Nicaraguan people who request a change. I know that we have the support of the international community that wants to help us in the country's reconstruction. I also know that we have the blessing of our Cardinal Miguel Obando y Bravo and the prayers of all those who believe that God wants what is best for Nicaragua. I am sure that UNO will win in February. I ask all the Nicaraguan people to register, vote, and win with UNO. Violeta and Virgilio guarantee a victory in February.

I also urge the international community, multilateral organizations, democratic governments, and all those who love peace, to prepare their generous solidarity for the democratic Nicaragua we will have in 1990. Nicaragua will be a republic again. Nicaragua will [words indistinct] struggle against everything that precludes the achievement of our dreams of democracy. The Somozist government fell forever in 1979 and the Sandinist government began to fall today, to be replaced by the national salvation government—which has a place for all the Nicaraguans who love Nicaragua.

Long live Nicaragua!
Violeta Barrios de Chamorro

Godoy Comments on Goals

PA0309043489 San Jose Radio Impacto in Spanish 0207 GMT 3 Sep 89

["Exclusive" interview with Dr Virgilio Godoy Reyes, vice presidential candidate of the National Opposition Union (UNO), by unidentified reporter in Managua—live]

[Text] [Reporter] Doctor Godoy, first of all, allow me to congratulate you on your nomination. Second, I would like to get your impressions [words indistinct].

[Godoy] First of all, thank you for your congratulations. I have assumed a huge responsibility today by accepting the vice presidential nomination on the National Opposition Union's slate. My impression is that the Nicaraguan people had expected this decision for a long time and that [words indistinct] satisfaction. This definitely (?ends) the widespread speculation about UNO's alleged inability to reach agreement on the candidates. This is obviously very important for our country.

Second, we think this places UNO on the path of intensive work toward victory on 25 February 1990. We are pleased at having received the confidence of the UNO member parties. In addition, we have pledged to devote our efforts to begin—following the opposition's victory—the true democratization and real reconstruction of Nicaragua.

I must add that I expect to act with utmost loyalty toward my fellow member in the slate, the presidential candidate, Mrs Violeta Barrios de Chamorro, with whom I hope (?to get along cordially) and [word indistinct] with the warmth of the popular victory in 1990.

[Reporter] Doctor, without doubt this is one of the most important moments in your life up to now [words indistinct]. More specifically, you (?have gone through) two exhaustive sessions, balloting during one day, and negotiations. You no doubt must feel some emotion, some [words indistinct] at this moment. What does Dr Virgilio Godoy feel at this moment?

[Godoy] As I said, I feel that this is a huge responsibility and I also feel enormous gratitude for being given the opportunity to serve this country, which has been experiencing such heavy punishment for such a long time from various types of [word indistinct].

The path is open now and I personally know that this will be a very difficult task of [word indistinct], full of trouble, which we hope will be compensated for by victory on 25 February 1990. To me, this is not a moment, let us say, of [word indistinct], but a time of commitment. We have said that unity is very important now, but this unity will be even more important on 25 February and we all make every sacrifice, every effort, and all that is necessary to preserve it. Nicaragua comes first, but a democratic Nicaragua is paramount.

[Reporter] Dr Godoy, I thank you [words indistinct] and above all those who [word indistinct] Radio Impacto if you wish to add something else and if you have a message for the Nicaraguan people?

[Godoy] Yes, I want to tell the Nicaraguan peasants, the Nicaraguan workers, the Nicaraguan technicians, and all Nicaraguans in general without exception that [words indistinct] now make up UNO's slate a single negative intention. On the contrary, we are ready to work for full reconciliation among Nicaraguans, so that even those Nicaraguans who are listening to us in Honduras, Guatemala, El Salvador, Costa Rica, Panama, and the rest of Latin America will feel that confidence in the country's future is being restored. Nicaragua will smash all of the windows that this opprobious regime has closed in 10 years. Also, the opposition will inevitably win to begin, during its administration, a regime of coexistence to permit us to work in peace and to progress in peace.

Government Denies Hiding Traffickers

PA0109232189 Panama City ACAN in Spanish 1911 GMT 29 Aug 89

[Text] Managua, 29 Aug (ACAN-EFE)—According to statements today by Interior Minister Tomas Borge and the Foreign Ministry, the Nicaraguan Government and the ruling Sandinist National Liberation Front [FSLN], expressed their solidarity with the Colombian Government in its struggle against drug trafficking.

Likewise, the government and the FSLN rejected reports in which U.S. authorities accused the Sandinist government of giving refuge in Nicaragua to leaders of Colombia's "Medellin Cartel."

Foreign Minister spokesperson Mercedes Borge told ACAN-EFE that her country is responding to the appeal made on 29 August by Colombian President Virgilio Barco to the international community.

"Nicaragua has a definite position against drug trafficking, as is shown in a plan presented to the Central American foreign ministers to obtain joint action by area countries in the fight against this plague," the spokesperson said.

She recalled that in this plan against drug trafficking, which is being studied by the foreign ministers of the area, cooperation was requested from the United States, but that this country has not yet answered.

For his part, Commander Tomas Borge stated that some time ago, U.S. authorities had linked him to drug trafficking, which was "a crude lie to discredit the Sandinist revolution."

"The U.S. authorities also said that I was behind the attack on La Tablada Barracks (which ultraleftist individuals perpetrated in Argentina), but they could never prove it, and it is the same with the drug trafficking charges," Borge added.

President Daniel Ortega sent a message on 24 August to his Colombian counterpart in which he expressed his solidarity with the Colombian Government and condemned the 18 August assassination of Liberal Senator Luis Carlos Galan Sarmiento.

In another message on 22 August to Julio Cesar Turbay Ayala, the president of the Colombian Liberal Party, the FSLN condemned the assassination of Galan Sarmiento and criticized the "terrorist methods" used by the "Medellin Cartel."

Government Reports Dialogue Agreements Fulfilled

PA0209015589 Managua BARRICADA in Spanish 30 Aug 89 p 5

[Text] Presidency Minister Rene Nunez Tellez yesterday sent a message to the legal representatives of the 21 political parties in the country, and to the UN and OAS secretary generals, in which he summarized the steps taken by the Nicaraguan president to fulfill the agreements reached in the national dialogue.

In accordance with the corresponding procedures, the bills to reform the Political Constitution, General Media Law, Law of Police Jurisdictional Functions, and Penal Code, as well as the bill to abolish the Law of Maintenance of Order and Public Security, were sent to the appropriate commissions for judgment.

Nunez Tellez' message also states that on 5 August the General Command of the Sandinist People's Army ordered a reprogramming of the SMP [Patriotic Military Service] recruitment period between September 1989 and February 1990. The message further states that on 15 August, the National Assembly's Commission for Human Rights and Peace was instructed to prepare lists with the names of ailing and political prisoners, for the purpose of immediately releasing the former and considering the release of the latter.

The message goes on to state that, in fulfillment of the agreements reached at the dialogue, the Supreme Electoral Council on 16 August approved the reforms to the electoral calendar, and 5 days later created a Consultative Corps formed by seven individuals who were pluralistically elected in accordance with Article 202 of the Electoral Law.

The bill to reform the Political Constitution, which was sent to a special multipartisan commission, contemplates swearing in the presidential and vice presidential candidates elected on 25 February 1990 on 25 April 1990, in accordance with the procedures formulated in Article 149. It also contemplates the expeditious approval of a temporary ruling that would allow the deputies to be sworn in on 24 April 1990.

Article 201 has been partially and exclusively reformed for the 1990 elections; and, according to the presidential bill, the president, vice president, and deputies elected on 25 February will conclude the terms of their counterparts elected in November 1984, and will be sworn in on 25 and 24 April, respectively.

Meanwhile, 10 articles of the Law of Police Jurisdictional Functions are to be reformed and 1 abolished, according to the presidential bill, thereby establishing, in essence, that the PS [Sandinist Police] will only be authorized to make arrests with arrest warrants signed by the police examining judges, and it also establishes the procedures that must be followed.

The reform of Article 494 of the Penal Code states: Anyone who publicly and directly incites others to commit a crime, will be sentenced to from 6 months to 1 year in jail; if this crime is against the nation's domestic or foreign security, the sentence will be from 1 to 3 years.

Tinoco Criticizes Contra Sectors Holding Out

PA0309001889 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 29 Aug 89

[Text] Last week, virtually all of the organizations had been established for the verification and repatriation of the contras from Honduras, as agreed upon by the Central American presidents in Tela, as well as the creation of the peace force that will patrol the border.

Vice Foreign Minister Victor Hugo Tinoco, who was recently in Washington, comments on this:

[Begin recording] [Reporter] What are the steps planned to carry out those actions?

[Tinoco] On Friday [25 September], Foreign Minister d'Escoto and I met with UN Secretary General Perez de Cuellar and his assistants. They told us that, as of 3 September, they will send a delegation to visit Honduras and Nicaragua to meet with the contras to try to speed the process of demobilization, as decreed by the presidents at the Tela summit meeting. At the same time this delegation will broach the problems of the UN force in charge of making sure that Honduran territory is not used, that no aid is given to irregular forces, and so on. Very soon, the United Nations will be working, so will the OAS. They are getting ready for this to be carried out.

[Reporter] Does this mean that the international task of demobilizing the contras is proceeding?

[Tinoco] Definitely. I can tell you, for instance, that on Thursday in New York, the UN and OAS secretaries general met and issued a joint letter to the Central American presidents who signed the Tela agreement ratifying their acceptance of requests to create an international commission of support and verification to work on the process of demobilization and express ideas.

[Reporter] There is talk that some contras are going to the interior of Honduras and that others are selling weapons in Guatemala, what do you know about this?

[Tinoco] In the contra leadership, sectors that have no political interest in peace for Nicaragua and Central America—Bermudez and others like him—are going to keep telling contra groups in Honduras [words indistinct] that there is no demobiliztion, that the war continues. They are going to keep saying that. The agreement signed by the five presidents affected not only the Nicaraguans, but also contra circles.

[Reporter] When you were in Washington, did you have an opportunity to meet with Aronson [Bernard Aronson, U.S. assistant secretary of state for inter-American affairs] or with people from the State Department to deliver any concrete message to those sectors?

[Tinoco] The OAS met in Washington to discuss the Panamanian problem. That is why we went to Washington. We did not meet with any U.S. officials, not because we did not wish to do so, because Nicaragua's attitude is that of always being ready for talks, but because the U.S. Administration does not want to meet with us. This is what I have said before, that this is because of pressure from the rightists; the extreme right is exerting pressure on the U.S. Administration not to have any communication channels with Nicaragua.

[Reporter] Who has more political strength in the United States, the extreme right or the moderate sectors which who want to end the war?

[Tinoco] The counterrevolutionary project was buried long ago, as a strategic project to destroy the revolution through a mercenary army, the contras. If you see it from that viewpoint, the extreme right is completely cornered. However, from the viewpoint of the extreme right, although aware that they have been defeated strategically, they still want to cause harm, they want to keep on creating chaos in Central America, and they want the war to continue. In that sense, they have a little more power, because they directly accuse the more decent sectors of the administration of giving in to the Central American revolutionaries, and they exert pressure in this regard. This has an impact on future elections.

[Reporter] Thank you. [end recording]

Ferrey on Contra Demobilization

PA0209025389 Managua Radio Corporacion in Spanish 2300 GMT 29 Aug 89

[Text] Dr Roberto Ferrey, who returned to the country to assist the opposition in the electoral process, held a news conference on 29 August in which he offered to help unify the political trends within the Social Christian Party. One of the Nicaraguan Resistance [RN] leaders, Ferrey, said the anti-Sandinist rebel forces will voluntarily demobilize only if there is true democracy in the country. Otherwise, he said, we would take up arms again. But we are here to prevent this from occurring again.

The RN leader said the rebels would be willing to cease their hostile actions against Daniel Ortega's regime if the

Sandinist government releases all political prisoners. This is an excerpt from the news conference.

[Begin recording] [Ferrey] Demobilization was agreed upon in February and ratified in the summit held in Tela recently. The problem at hand is the implementation of this program. Here in Nicaragua, we are used to signed documents that are never fulfilled. The implementation of the demobilization program primarily involves the Sandinist regime's political willingness to remove the obstacles. As the Tela document stated, the combatants should be given a believable reason to voluntarily lay down their arms and return to Nicaragua. If they return within the agreed upon deadline, they will be able to participate in the elections. If they return later, they will be able to join the new institutional life to be ushered in Nicaragua after February next year.

[Reporter] [Words indistinct]

[Ferrey] The Sandinist National Liberation Front [FSLN] 2 years ago signed several accords in Guatemala as part of the Esquipulas plan. The Nicaraguan Government should have shown its political willingness by complying with these accords. But it has not. I have mentioned amnesty, for instance, which has not been implemented in Nicaragua. There are still thousands of political prisoners. The majority of them are relatives, friends, or collaborators of the troops. It is unreasonable to tell a combatant to lay down his arms and return to Nicaragua while this man's relatives and friends are still being held in prison. First of all, the FSLN must release all of these prisoners to show its political willingness to change the situation in Nicaragua, so the great majority of the combatants can be demobilized and repatriated. [end recording]

Killings Perpetrated by Contras Reported

PA0109143689 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 29 Aug 89

[Text] The Nicaraguan Defense Ministry has announced that counterrevolutionary groups have murdered peasant Santos Gonzalez Martinez on Los Amadores hill in Chontales.

Elsewhere, in Buenos Aires, Rio Blanco, during another mercenary activity, the counterrevolutionaries murdered two militia members: Rito Granados and Mario Romero Angulo. Irma Ortega, a 45-year-old civilian, was also murdered by the Somozists.

Assembly Approves New Political Division

PA0209013289 Paris AFP in Spanish 0029 GMT 17 Aug 89

[Text] Managua, 16 Aug (AFP)—The Nicaraguan National Assembly today passed a new territorial administration law dividing Zelaya Department, on the Atlantic coast, into two new departments: North Atlantic and South Atlantic.

The law also divided the national territory into 9 regions, 17 departments—one more than before—and 143 districts. The law was approved by the official majority with 65 votes in favor, 4 against, and 2 abstentions.

The vast Atlantic region, divided now into two departments, will no longer be called Zelaya. The region was given that name to honor President Jose Santos Zelaya, a member of the Liberal Party, who ruled Nicaragua at the turn of the century and regained Nicaraguan sovereignty over the Mosquito Region, then controlled by the British Crown.

Carlos Tunnermann, a Sandinist legislator and former Nicaraguan ambassador to the United States, objected to the name change. He defended Zelaya's nationalist position and asked that the department's name be left unchanged.

However, Indian representatives at the parliament, also members of the ruling party, defended the bill and pointed out that the change was in keeping with the regional status approved last year, which recognizes the autonomy of the North Atlantic and the South Atlantic regions.

With the passing of this law, the way has been cleared for the electoral process that will culminate with presidential, legislative, and municipal elections in February 1990.

Correction to UNO Leader on Dialogue

PA0109145489

The following correction pertains to the item headlined "UNO Leader on Contra-Sandinist Dialogue," published in the 1 September Latin America DAILY REPORT, page 22: Page 22, column one, make sourceline read: Buenos Aires REUTER in Spanish 2008 GMT 29 Aug 89 (correcting sourceline)

Panama

Reportage on, Reaction to Provisional Government

Ford: Government 'Mocks' People

PA0109133689 Panama City ACAN in Spanish 1915 GMT 31 Aug 89

[Text] Panama City, 31 Aug—(ACAN-EFE)—Opposition leader Guillermo Ford said today that the appointment of Francisco Rodriguez as provisional president of Panama "mocks the Panamanian people."

In statements to ACAN-EFE, Ford says he does not personally know Rodriguez, but he said that Rodriguez will not solve the Panamanian problem.

"This is not a problem of persons; the problem is that this constitutes a mockery of the Panamanian people."

The General Council of State today appointed Francisco Rodriguez, an engineer, and Carlos Ozores Typaldos, a businessman, as provisional president and vice president, respectively. Their inauguration is scheduled for 1 September.

The opposition leader pointed out that "neither Rodriguez nor anything proposed by the government will be able to solve the serious problems of the Panamanian people."

Meanwhile, the most important opposition party, the Christian Democratic Party (PDC), said today that the formula chosen by the regime for appointing a new government is "a coup d'etat."

Comptroller Appointed President

PA0109203389 Panama City LA ESTRELLA DE PANAMA in Spanish 1 Sep 89, p 4

[Editorial: "Changes in Government Leadership"]

[Text] Yesterday, as expected, the General State Council decreed changes in government posts at the highest level. The changes were made yesterday because that was the end of the constitutional period which began on 1 September 1984. As of today, two distinguished citizens will decide the nation's destiny as president and vice president of the Republic. The appointment of these two citizens by the General State Council emerged as a formula to prevent the vacuum of power that might have been created because of the annulment of the 7 May elections by the Electoral Tribunal. The two new rulers will hold their posts provisionally and will have the delicate task of calling for elections at an unspecified date.

As we said a few days ago, the formula used—abiding by the Constitution—is neither the normal route nor the most advisable for the country. However, the controversial circumstances in which the political situation has been evolving since the annulment of the elections have forced the government to seek a political solution to the complex situation. Yesterday's events have a great historic meaning for Panama and Panamanians. Francisco Rodriguez, the new president of the Republic, has vast experience in government affairs, especially in government economy, because he was comptroller general of the Republic for more than 5 years. In this present political situation, the new president might be an asset within the existing economic limitations.

Panamanians are facing the worst crisis in our history, and the coming days will be very difficult and extremely complex.

The U.S. Government's aggression will increase to the utmost. The diplomatic missions accredited to Panama are showing signs of being distrustful and even displeased. Our economic problems will increasingly worsen and public services will have to be curtailed to unpredictable levels. The political solution applied yesterday is not the most desirable in an authentic democracy. That is why the situation forces our new leaders to increase the efforts they have been making until now in the crisis and to use their initiative, capabilities, and creative spirit.

This is not the right moment to make an objective evaluation of the administration just ended by President Manuel Solis Palma. That period was full of difficulties and enormous hardships, and merits a more serene, balanced, and just evaluation.

It would not be wise, either, to make comments in advance on the new administration, headed as of today by Francisco Rodriguez, who has the knowledge, experience, capability, and enough honesty to handle state affairs correctly. The country's serious political situation requires a regime which is cognizant of the situation, in which government expenditures will be rationed, in which government officials will be forced to be honest in the handling of funds, and in which the nationalist and patriotic spirit will be strengthened. In the present political circumstances, we harbor great hopes that the new administration will know how to tread the best paths, seeking harmony, understanding, and the way to national reconstruction.

President Holds News Conference

PA0109172489 Panama City Domestic Service in Spanish 1600 GMT 1 Sep 89

[News conference by Provisional President Francisco Rodriguez accompanied by provisional "First Vice President" Carlos Ozores with local and foreign reporters and moderator Jose Hernandez at the amphitheater of the Panamanian Presidency in Panama City—live]

[Text] [Hernandez] In accordance with our established norms for news conferences, in which local and foreign reporters are present, reporter Tomas Cupas, who is the life president of the Panamanian Association of Foreign Correspondents Accredited to Panama, will ask the first question. From then on, the other reporters will ask their questions.

[Cupas] Mr President: U.S. President George Bush announced this morning that he does not recognize the government of Francisco Rodriguez, because it was established by Gen Manuel Antonio Noriega. President Bush also announced that he is breaking all diplomatic ties with Panama and that he will recommend that the Latin American governments follow the U.S. example. What do you, Mr President, think about the announcement made by the U.S. President?

[Rodriguez] Good morning distinguished local and foreign reporters. I thank you for your presence at this news conference, our first.

We believe that we have a path to follow. It is no secret that the formation of the government we head and of which Carlos Ozores Typaldos is the vice president is the result of the best political option that existed in Panama once the dialogue among the local opposition, the executive branch, and the COLINA [National Liberation Coalition] political parties was interrupted for lack of consensus.

In view of the dialogue interruption, it was clear that any government formula—after the annulment of the 7 May elections—would have to be reached through a channel offering the best possible political option. That is what happened.

We are part of a government which accords with the mandate included in the agreement [issued by the General State Council]; it is a provisional government. This government has a number of tasks to accomplish. One of them, of course, is the holding of elections as soon as possible. Obviously, elections will be held when the current conditions, which in fact prevent us from establishing a government in accordance with our will, appear. [sentence as heard]

We will try to accomplish those tasks. We will respect what is established in the said agreement. Those are our feelings.

We urge local groups and—quote—we request international solidarity so that this democratic process can take place through elections reflecting the genuine will of the Panamanian people. By the same token, we ask and hope that the Washington government's initial position changes—end quote—so that the yearning of all, of absolutely all Panamanians comes true.

[Hernandez] We realize what is happening. Let us get them closer to the podium. Excuse us Mr President, but this is part of the... [Station announcer interrupts to explain that reporters are being allowed to place their tape recorders on the podium.]

Journalist Argelia Rios, from the Venezuelan newspaper ECONOMIA HOY, will ask the next question.

[Rios] Good morning, Mr President. My name is Argelia Rios and I represent ECONOMIA HOY, from Caracas, Venezuela. First of all, I would like to ask you this: What efforts will you make in view of the fact that the majority of the Group of Eight countries have withdrawn their ambassadors and have maintained a very strong opposition stand regarding Panama? What efforts will you make as provisional president to prevent the Panamanian nation from being isolated from the rest of Latin America?

In the second place—if you will allow me—I would like to ask you another question related to the economy of your country. You have committed yourselves to preparing the groundwork for a national agreement calling for new elections that will depend mainly on the lifting of the economic sanctions imposed by the United States. During this 6-month interim period of time, the Panamanian people will be waiting for compliance and the outlining of an economic policy and program that will be directed toward the social aspect. Apparently this has been neglected in recent years, particularly due to the internal political turmoil. [Protests heard from other journalists.]

This new government—please, one moment, pardon me—this new government you preside over should be committed to this broad group. I would like to know what form you will use in order to at least start moving the Panamanian economy, which, according to the opposition, is seriously... [interrupted by jeering]

[Rodriguez] Miss Rios: Our government has the best intentions and interest in maintaining at all levels the most cordial and friendly relations within a framework of respect and tolerance that should prevail among sovereign nations in any part of the world. We do not exactly share the idea that the Group of Eight countries are isolating the Republic of Panama. When these changes are made—as it happened now, and has happened before, and we believe will happen again—there is a diplomatic mechanism of consultations that the countries use with their respective ambassadors or attaches in order to evaluate the situation of a given country.

We understand this is the case now. However, we understand this does not mean at all that this is a definite withdrawal, because this has not been announced by the diplomatic missions in the country. Furthermore, I believe it would be a mistake to do so. It would be a mistake that will not contribute anything to the sincere wishes and hopes the Panamanian Government and people have of finding the paths and formulas that will allow us to advance, not only within the framework of peace—that is characteristic of this nation—but mainly within the framework of a development that will mean a greater well-being for the Panamanians.

Therefore, I believe that we are far from reaching the point of isolating Panama, precisely because we are working within the framework that was established during the negotiations held here under the auspices of the OAS. I repeat, we are working on this, and this is included in the agreement that is the basis of our efforts and our goal, which is that of holding elections.

However, and it is obvious, no one in this country can think about development when one is hungry, and no one in this country can think about development when one is facing the pressures and threat of having a knife to his back. The first thing one thinks about is: How will I defend myself and how will I resist?

Therefore, if the entire international community has a true interest in helping this country achieve its—quote—true democratic goals—end quote—then it is advisable to express this same willingness, and not only in its solid support in the financial and economic aspects. The least our country can demand is the return of its resources, its money—which does not belong to anyone else—in order to help improve social conditions in our country. This was mentioned in the second part of the question. This is precisely one of our most important endeavors: to study the situation of the poor and underprivileged. We will put greater emphasis on these aspects.

[Hernandez] Antonio Graell from LA REPUBLICA, you may have the floor.

[Graell] Mr President, when can the Panamanian community know the names of the new cabinet members and the 41 commissioners or legislators?

[Rodriguez] [Words indistinct] as for the cabinet, we expect to announce the names today. Regarding the assembly commissioners, according to the plan included in the agreement, the executive branch and the cabinet members will hold meetings to establish the procedure for nominating and selecting the commissioners.

[Hernandez] Teresa Britto will ask the next question.

[Britto, in English] Mr President, I am Teresa Britto from NBC News. Does the fact that President Bush says he does not recognize your government as legitimate... [Britto is interrupted by protests from unidentified speakers and then continues in Spanish.] Can we not ask a question in English please?

[Hernandez] Basically, everything should be in Spanish.

[Britto] Mr President, does the fact that President Bush says he does not recognize your government as legitimate and that he is going to suspend all diplomatic relations with you come as a surprise to you? Do you have any plans to renegotiate with President Bush?

[Rodriguez] We are firmly determined to make our utmost effort to normalize relations within the framework of respect for the self-determination of our sovereignty and, obviously, once the intervention in our country has ceased. We will try to establish the necessary links within this framework. It is not our desire to maintain a rigid stance that will not permit us to establish such links, provided, I repeat, that this is within the framework of respect, which is the least our country can demand.

[Hernandez] Journalist Nelson Notario of Cuban Television.

[Notario] With all respect, Mr President, moments ago you replied to a question by saying that in your opinion Panama has not actually been isolated by the Group of Eight countries. About 2 hours ago, when the inaugural ceremony was under way, some journalists were speculating that Panama had been virtually isolated, because the representatives of the diplomatic corps were not present at the inaugural ceremony.

Of course, I do not share that view. However, I would like to know why the members of the diplomatic corps were not present. Your answer to this question could clarify this issue.

[Rodriguez] The truth is that I would lie to you if I tried to answer the question now. The truth is this ceremony was probably organized; no, it was certainly organized rather within the framework of our Constitution. It was not precisely a normal inaugural ceremony in terms of our legal framework. I believe that their absence does not respond to a decision not to participate, because the ceremony was not carried out as usual.

[Hernandez] Journalist Antonio Diaz of Channel 13 Television.

[Diaz] Mr President, in your last report as comptroller general you questioned—and the following are your own words—the government's huge bureaucracy. What will be your strategy to correct this abnormal situation?

[Rodriguez] We will be more specific in this regard during a message we will address to the nation. I have always maintained—and I have not changed my position—that our public sector probably has more employees than it needs to carry on its duties at this moment in view of our current limitations. I am not talking about bureaucracy only in quantitative terms, but also in terms of the excessive number of procedures, regulations, and decisions that must be followed from the very moment of the approval of a program, project, or action until their actual completion.

However, in that same report we stated that although that bureaucracy is quantitatively excessive, because of the current situation in the country it is absolutely necessary to leave it untouched to avoid creating a greater evil: to avoid increasing unemployment that was already very high, especially last year, because of—as you know—the aggression against us and the crisis of our national economy that affected the private sector.

Thus, it would be somewhat illogical and unfair for the public sector to further increase the unemployment rate. Negative effects were positively eased and partly countered by an increase in consumption expenditures that the country and economy need at this moment.

[Hernandez] Journalist Guillermo Rodriguez from [Colombia's] Caracol Network.

[Guillermo Rodriguez] Mr President, what would you say to the opposition to try to achieve an internal reconciliation? Thank you very much.

[Rodriguez] Traditionally, I believe that we Panamanians have had the virtue and wisdom of reconciling our differences through dialogue. We have done this within our families and homes and we have also done this at all times with the various segments of our society.

I believe that we must neither reject nor waste the opportunity afforded by our provisional government to try to participate—in the most genuine and sincere way—in talks that could give us the means to allow the people to voice their will.

We firmly believe that there should be political adversaries in this country. Furthermore, we believe in political opposition. What we consider political opposition is something that should help us to rule better. A political opposition is not established in order to destroy. A political opposition is established in order to help us, to guide us with regard to the mistakes we make, and, precisely, to help us to rule better. Obviously political opposition does not mean subversion. Political opposition does not mean destroying what has been built.

However, I insist and repeat we have the best of intentions—and we have said this before and will continue to say this. We are open at all times to discussion of any subject that represents the genuine will of our people and is for the defense of our sovereignty.

[Hernandez] Journalist [name indistinct] from CNN.

[CNN journalist] Mr President, what do you specifically think you can do to prevent the other Latin American countries following in the U.S. steps and breaking relations, as they did in the sixties in the case of Cuba?

[Rodriguez] Well, in the first place, I will explain to them our situation and our plan, which is quite clear. I believe this is what the entire national community wants, and I stress the national community, because this is strictly an internal decision. Naturally the international community wants for this country—and for any other country—that there will be respect for the sovereign will of its people. Based on this respect, there should be the means and instruments that will develop the internal expressions of the people. In this manner we can establish friendly, diplomatic, and commercial relations with the various countries.

We have said that we have the best of intentions to do this, and we have given evidence of this. Consequently, we need solidarity in order to achieve that purpose. Therefore, if we are requesting this and putting this into practice, I do not see any reason why we should not receive support for this genuine cause of our nation.

[Hernandez] Journalist James Aparicio, of AFP.

[Aparicio] Yesterday, the opposition rejected any contact with the provisional government. It even used terms such as maggots in the same puddle, typical officials of the regime, and said this was a coup d'etat as it mocked their demands for alleged victory in the May elections. I would like to know what your reaction is to all of this. Also, when conditions are evaluated in 6 months to see if elections are to be held, will these elections not be foiled when the United States announces new sanctions and the break of diplomatic relations?

[Rodriguez] Well, in the first place, I am not going to call anybody names. We are not used to doing that. The only thing we want to say and reiterate is that the doors for holding talks are open, and they will remain open. There are mechanisms for holding those talks and for ample participation, so that the ideas of the various groups on any topic can be established, discussed, and interpreted within that dialogue. We invite them—I repeat, we invite them—to attend those talks, because this government is interested in achieving a conciliation of the national will.

[Hernandez] We will go to the last two questions now. The first one goes to journalist Hans Peter Bergen.

[Bergen] Thank you. Mr President, the Panamanian opposition's main condition is the withdrawal of Gen Noriega. What is your position regarding Gen Noriega's withdrawal?

[Rodriguez] That is something that has been talked about and discussed for some time. We have always stated that first of all Gen Noriega's withdrawal is a purely Panamanian domestic decision and it is not subject to any foreign position. That decision is a purely domestic issue, which will be made in accordance with our laws and Constitution. Furthermore, the dialogue process included the discussion of the Panama Defense Forces [FDP] role and that of their echelons. The possibility of discussing any of these topics continues to be absolutely feasible.

[Hernandez] The last question goes to journalist David Carrasco. I would thank David if he could come to the corner here, excuse me.

[Carrasco] Mr President, on 29 August the country's largest people's organizations issued a communique placing conditions on their support for any form of government that could appear on 1 September. What do you plan to do to gain those organizations's support—that is—if you are truly interested in having that support. Or have you decided to do without it?

[Rodriguez] I would say that what I can do is to work and work and work with true honesty for the well-being of this country.

[Hernandez] Dear colleagues, thank you very much. In the next few days, we will have more opportunities to meet with you during the development of other activities. Thank you and until the next time.

Rodriguez Speaks at Swearing-In

PA0109153689 Panama City Domestic Service in Spanish 1449 GMT 1 Sep 89

[Speech by Provisional President Francisco Antonio Rodriguez Poveda at the Supreme Court Building in Panama City—live]

[Text] Good morning, Madame Magistrate, President of the Supreme Court of Justice; Honorable Magistrates; Mr Provisional Vice President of the Republic; Members of the Panama Defense Forces; Ministers of State; Mr Attorney General of the Nation; Distinguished Friends; Mrs Ozores; relatives, friends:

As I take over this mandate today, we pray to God that He may bless and enlighten this new administration. At this time, I only want to recall some words from a book I once read by a Lebanese poet, called "The Prophet." They go something like this: Those who do not carry out their work with love, with energy, and with sincerity might as well remain at the doors of the temple and wait to receive alms from those who do work in this way.

Today, I am inspired by those words. I tell you, I promise you that I will carry out my work with love, with a love for the fatherland, with energy, and above all, with the dedication to serve the best interests of the fatherland.

Thank you for your attendance.

President Addresses Nation

PA0209013189 Panama City Domestic Service in Spanish 2358 GMT 1 Sep 89

[Address to the nation by Provisional President Francisco Rodriguez at the Herons Presidential Palace on 1 September—live]

[Text] Fellow citizens, in assuming the Presidency of the provisional government that begins today, I think, like any other citizen given this responsibility, that it would have been preferable if I had received this mandate as a result of regular institutional procedures.

For this reason, I view the resolution that the General State Council approved by consensus on 31 August as an honor that has placed on me greater obligations and more severe commitments.

My public life will be guided by the letter and the spirit of that resolution and, in the framework of this firm resolve, I declare that the provisional government over which I preside will fulfill the international obligations of Panama, and will decidedly respect international law in its relations with other nations.

In the framework of the difficult circumstances we are enduring domestically, my government will direct its main efforts at building a new democracy, one respectful of human dignity, one directed at setting the basis for a society in which everybody may acquire well-being on the basis of the efforts and ability that each person has, a right everybody has.

The factors determining the current national situation make it necessary for us to secure the existence of the Republic, to secure the existence of Panama as an independent and free nation in the community of nations.

We know very well that we are initiating our task under the gloominess of threats issued by the U.S. Government against our people. We also know that this factor will do nothing less than consolidate the patriotic nationalism that fuels our sovereign cause.

It has been the U.S. Government, not the Panamanian people, that has made it necessary to resolve the current situation by means of emergency actions and not by the normal institutional means on which we were working, the means that the people most want.

The world has witnessed the harassment and the meddling we have endured, a situation that has prevented us from establishing the necessary conditions for a true and genuine expression of the independent will of the Panamanians.

Panama was put in such a position that, if it had yielded to pressure, it would have sacrificed essential elements of the nation itself.

The provisional government has the responsibility of guiding Panama toward the creation of a new republic, with the certainty that we have the historic responsibility of marching toward the culmination of the integral liberation project strongly wanted by generations of Panamanians, a project we have the obligation to fulfill in order to hand it to our children.

We urge all Panamanians to join us in this effort, regardless of ideology or political militancy.

The provisional government has the ambition of representing the unified Panamanians and of interpreting their will in the common task of transforming our society for the sake of the collective well-being.

Nevertheless, while we guarantee the normal operation of the national government and its institutions, and pledge to comply with the state's local and international obligations, we know the country belongs to all Panamanians and demands much more than this. It demands changes and transformations. The creation of a new republic is the first duty and priority task of the provisional government that assumed office today. This task cannot be carried out by any one group, party, or sector. This task demands the broad, active participation of all social and productive sectors that, regardless of their political leanings, are willing to struggle for national independence, sovereignty, and self-determination, and cooperate in a joint effort for an effective social democratization. This democratization would include the broad participation of the low- and intermediate-level groups and the natural organizations in our population.

The homeland of all Panamanians is facing a deep, general crisis that has reached the country's institutional foundations. This has given rise to unheard of situations that we must correct. We must confront the U.S. Government's desire to politically control our country, to impose the existence of military bases, which serve to control the continent beyond the year 2000. We must also deal with the blindness of some of our citizens who, consciously or unconsciously, have worked in complicity with the U.S. Government, whether because of internal resentment or because of national awareness. The aggression and interference caused by an incorrect U.S. policy have escalated and aggravated the crisis, but it is not the only cause of the crisis that we must overcome. The economic model and structure still prevailing in Panama must be adapted to the current circumstances and needs after several consultations are held. In addition, we must firmly and vigorously face a number of mistakes and wrong methods applied by several government leaders throughout the 1980's.

Therefore, this provisional government must receive and assess fresh proposals, not only to organize a new kind of government, but to lay the groundwork for the important changes that the country demands. To effect these changes and ensure the sociopolitical stability required to promote democratization, the provisional government must eliminate some methods and work styles, such as cronyism, favoritism, the appointment of unqualified officials, and tolerating dishonesty. We cannot afford any further improvisations or working without the necessary coordination between government and social sectors interested in policies and projects. No more poorly discussed, defined, or coordinated plans. No more lack of follow-up or public supervision of fundamental objectives. Any policies which are drafted must be implemented fully. We must reaffirm and strengthen morals and ethics in government work and in the handling of agencies and projects by taking the necessary measures, even the most severe, to detect and punish the cases of corruption or neglect and guarantee better control through strict supervision of public expenditures and the use of state-owned property.

By restructuring the government and improving the government's efficiency, we will define the levels of command and responsibility to avoid the excessive number of autonomous institutions, which lack proper control and are disconnected from the general work plan. It is a priority task to transform the public administration, particularly those agencies serving the population's basic needs and public services, and improve the efficiency and profitability of public enterprises, some of which should be privatized. We must support the agrarian sector again, both economically and socially. We must fortify and attach more importance to the local and community organizational system, such as community boards, health committees, production boards, and cooperatives. In addition, we must update the corregimiento representives system because democratization cannot be limited to the upper society levels. Democratization must include the site where the people live, work, and yield fruit.

The provisional government will again widely discuss the national program, which is of interest to most Panamanians, and work based on widely known and participatory means and goals. It will be based on a candid, self-critical analysis of the experience of these past several years and will be designed to bring together all social sectors interested in consolidating and developing a free and independent country that practices self-determination. It will be free of sectarianism concerning the positions that the various groups may have previously held.

This program must cover the specific interests of all of these sectors and promote an integrated economic model that will promote participation, social justice, honesty, efficiency, and productivity and also offer to our citizens concrete and specific opportunities for self-realization. We must give the agenda for national liberation—about which people sometimes talk rhetorically—more substance. It must not stop at the anticolonialist speeches that call for defense of the nation's sovereignty and territorial integrity. National liberation must also extend to practical actions to eliminate the structures of privilege, sloth, backwardness, and poverty and to assign an active role to the communities, the unions, the producers, and the workers in the decision-making process and the handling of local and national affairs.

National liberation means democratizing the nation's economic, social, political, and cultural structures with the people and not for the people. Self-sustenance and effort is what leads to real and full enjoyment of human dignity. We want to see this quickly translated into a set of proposals and concrete measures on which we can make consultations, give explanations, and carry out with the help of all persons concerned, independent of the political stripe of anyone wishing to propose them and to contribute toward their implementation.

For this reason, we define this provisional government as a government of broad participation that will try to integrate the country's most representative sectors and social organizations, the professional associations, the academic institutions, the cooperatives, the associations of producers, and the organized workers. What matters is that their members share the national goal of liberation and development and contribute their capacity, prestige, honesty, and efficiency to fulfilling it, together with the government team—independent of one's political leaning—and not thinking of staying in any public post permanently. This government will call for elections and hand over power as soon as conditions are right. We will preside over the transfer to a new democracy as soon as the U.S. aggression ceases and the funds arbitrarily withheld by the U.S. Government are returned to the Panamanian Treasury. This way, institutional normalcy can be restored and elections can be held with no foreign interference or manipulation, with a sovereign, self-determined, and civilized decision of the Panamanian people in the full exercise of their freedom of conscience.

The aggression has extraordinarily harmed the economy of all Panamanian citizens. We have resisted and will resist it with all necessary patriotic determination. However, we must also take immediate steps to cure the deficiences of our nation's economy which are hindering development and make our country vulnerable. This way we can be certain that there will be no repetition, ever, of what we are suffering today.

It is necessary to prepare changes and transformations in this area, too. Panama must soon diversify its markets and obtain technology and financing. It must join subregional integration and economic cooperation agreements. Immediately after we overcome the current political situation, the provisional government must implement a plan to serve as a guide in the transition that the Panamanian economy must undergo. It will set the course and the dynamics that are indispensable to meet the basic needs of the population, guarantee the country's stability, and generate conditions to make it possible to resume our country's development with new vigor. Independent of whether we begin this now, or whether the next constitutional government gets the credit for completing it, the truth is that there is no way we can prolong the waiting.

Above all, we must bear in mind that our problems will not be solved by softening the situation or making deals, but by a new strategy for development, the modernization and competitiveness of productive factors, the implementation of certain structural reforms, the correction of past mistakes, and renewed economic activity on an international level.

These changes are essential if we are to improve the balance between the different social sectors, and must be fulfilled without excessively sudden, surprising, or brusque changes. It is within this framework that we must execute important projects that were already in the making, such as the central complex and the shopping complex, and establish a few special legislative guidelines to ensure the viability of important foreign investments that will require those guidelines because of the nature of their technology.

These changes will require joint, coordinated, and aggressive efforts by the ministries and institutions that deal with international economic relations, and the Foreign Ministry. These institutions must follow a common strategy and path to gain access to a number of new markets, sources of financing, and suppliers. The government must conduct the necessary legal and institutional reorganization, and readapt the country's public finances and tax laws if those goals are to be met.

These goals will not have the slightest effect on the continuity of the legal and constitutional rules governing Panama's monetary policy, nor the existing arrangements regarding foreign investments, utilities gained abroad, or the international banking center, with regard to which the provisional government will maintain the currently established policies.

Generally, our economic policy will be aimed at generating productive employment and meeting the people's basic needs by promoting projects that will require large labor forces. In the rural sector, this includes the advancement of certain agrarian reform measures and the increased production of basic foods.

It is likewise necessary to strengthen the small and medium producers, and the small- and medium-sized businesses. We will increase the foreign exchange collected through direct foreign investments such as fruit exports, and by diversifying our exports and markets. The tax system should gear fiscal incentives toward the generation of jobs, more so than to increasing capital. Also, it is necessary to lower tariffs on products required by the national market, which are not produced in the country.

We must, after holding the necessary consultations, review the public sector's role as an employer and business sector. This includes the privatization of a few government businesses, as well as the development of a policy that will promote mixed businesses, in which the state can provide infrastructure and lands, and the private sector can contribute capital and technology.

The urgency of diversifying and strengthening Panama's foreign trade, and partially reorienting its economic relations toward different European areas and the Asian, Arab, and Latin American nations, and the need to exhaust the existing possibilities of cooperation and integration in the Latin American and Caribbean region, will also require an in-depth study of the parameters of Panama's foreign policy.

Panama needs a voice throughout the world to explain its truth—the truth of a people who have been attacked and threatened—in order to gain the understanding and solidarity that are necessary in this unjust confrontation between a small country and a huge power. The economic policy I have outlined must be complemented by the establishment and implementation of a foreign policy based upon a code of neutrality and nonalignment. This policy must be geared toward developing relations and exchanges with all the countries on the planet, and to guaranteeing our permanent and active presence in all the international and subregional economic and technological cooperation agreements, and at all the political and diplomatic forums.

To accomplish this goal it is essential to modernize, systematize, and professionalize our pledges, methods, and strategies in the field of international relations. We must sustain and develop this foreign policy as of this moment, with the necessary strength and dignity. This will require a significant restructuring of the Foreign Ministry and the Panamanian Foreign Service.

We pay a tribute of admiration, respect, and gratitude to Manuel Solis Palma. His personal example significantly aroused Panamanian nationalism at a very difficult moment. As I have said, history will have its objective and dispassionate say on current events. When that moment comes, it will register Manuel Solis Palma's name with special merits, and on the side of the forgers of our nation.

We have the possibility of creating a Panama that will satisfy the highest ideals of all its children, but it is also true that such an endeavor will face meddling more serious than what is being carried out to block the will of the people. Therefore, we will face the challenges that our irrevocable decision to be free, sovereign, and independent implies.

In establishing the provisional government we tried to adjust as much as possible to the responsibilities we accepted in connection with the 21st OAS meeting resolution, thus respecting the spirit of the OAS effort. In administering the government we will try to adjust as much as possible to that resolution also.

We want to be able to count on international solidarity now. We need it. We want, especially, the solidarity of the Latin American Governments. We are certain that we already have the moral support of the people of this continent, people who are our brothers with whom we share a history of struggles against interventionism, imperialism, and neocolonialism.

We are aware of the political, economic, and diplomatic pressure the United States can exert, but we also know that the governments of Latin America and the Caribbean are increasingly aware of the fact that a decision to support or not to support us in our struggle for self-determination will have decisive consequences in the future of the political independence of the states of this region.

Regarding the latest U.S. Government decision on relations with our country, I want to state that the Panamanians are peaceful people who want to maintain and strengthen friendships with all people and live in peace with all nations.

I am sure that if the current U.S. Administration is capable of shaking off all the stories and fables produced by subordinate structures of past administrations, it will find that many important U.S. interests are also of national interest to Panama and that these interests can be served without weakening U.S. prestige or sacrificing our dignity.

If we realistically face our differences, without whimsical fantasies, we will see common objectives that have permitted the lengthy association which has existed between the two countries for such a long time, including our close alliance in two world wars, will prevail.

The objectives that we share and bring us together could be the basis for a joint cooperation that will be more fruitful and lasting if it is the product of an agreement by two sovereign states rather than if it is a product of one state surrendering its national sovereignty to another.

The Panamanians are not rancorous people. We can shake hands at any moment. The only requirement would be that the handshake be one between the two nations.

Our patriotism is not inferior to that of any other nation. We will defend our right to be a nation regardless of how much might we may have to face. We have a high morale and enough determination to defend this right at any cost.

I have become head of the Executive Branch with a record the Panamanian people know. I have received this honor with the demand that as a Panamanian citizen, I serve my fellow countrymen without doing anything that could weaken their trust and by turning the Presidency into an example of the kind of stainless honesty that must be the trademark at all levels of the administration.

We will demand that state officials behave in an exemplary fashion to deserve the respect of the community. Never before has the country needed a government team more morally qualified to the highest degree to guide the nation.

We give our word that we will work to reach this objective and we will demand that whoever does not want to see it this way, or cannot see it this way, exclude themselves from the administration to let those who believe that there can be no other kind of public employees than honest employees, work.

We cannot allow the country, presently subject to an undeclared war, to indulge in delaying needed solutions because of individual weaknesses or to entertain itself in semantics about democracy to please a foreign power.

Panamanians love peace and consider it the nation's most valued gift. Peace has been treasured by our past generations that defended and preserved it in spite of internal differences. We have remained at the edge of the maelstrom of violence that covers so many of our neighboring countries and we want to continue in this manner. We have not, are not, and do not want to ever be, enemies of the people of the United States. We have always honored our friendship and the commitments made with the U.S. Government and have trusted—even to the point of excessiveness—in the goodwill of its officials. That is why we call on U.S. political leaders to accept that, in reality, their policy of aggression against our country is not the sensible, intelligent, or realistic way to attain many of their objectives that we accept and recognize. The United States has a very good opportunity to show the world that it is sincere in its debatable concern for the establishment of a firm democratic system in Panama during this internal transition phase. It can show its concern by allowing Panamanians to decide on and develop a system of our own.

The Panamanian nationalist cause has been accused many times during the past 3 years of not complying with the agreement made by General Omar Torrijos Herrera with President Jimmy Carter to establish a truly democratic regime in Panama. However, Torrijism is something that is very Panamanian and it is all-important that the democracy we establish not be a copy of an illusion or a foreign model of democracy.

Panama's Armed Forces continue to be committed to the total democratization of the country, but are equally obliged to defend the nation and Torrijo's legacy to give true meaning and social content to the concepts of justice and freedom. Reality, not words, will form Panamanian democracy. Human dignity is ennobled not by how an institution is formed, but by how it truly acts as this.

along with the fraternity and solidarity of all, is what will lead us to our nation's well-being.

I pray to God that He will enlighten and help me and all Panamanians on this day; the day in which we start to construct our democracy. Thank you.

ADOC: 'Struggle Will Continue'

PA0109223089 Panama City LA ESTRELLA DE PANAMA in Spanish 1 Sep 89 pp A-1, B-11

[Article by Juan Carlos Duque Mc. and James Aparicio, of LA ESTRELLA DE PANAMA editorial staff]

[Text] In a clear reference to the inauguration of a new government without the participation of the opposition, the Civic Democratic Opposition Alliance [ADOC] said on 31 August shortly before the official announcement of the successor of the minister in charge of the Presidency, that its struggle "will continue with new impulses, and with more energy than before."

Guillermo Endara, Ricardo Arias Calderon, and Guillermo Ford—the main spokesmen for ADOC—met with the national and international press. The three men were accompanied by leaders of the Civic Crusade and the top party leaders who comprised the opposition in the 7 May elections.

Endara pointed out that ADOC is a union of opposition parties and of crusaders who "have joined for a long period of time," stressing it has a commitment to the Panamanian people who elected them by "divine mandate."

Endara said that the government that we will have when we wake up on the morning of 2 September [date as published] will be just one more and "it will be worse."

Meanwhile, on the eve of the imminent composition of a new government without the participation of the opposition, Guillermo Ford said that the opposition's struggle will continue "regardless of the mechanisms the dictatorship may use."

Meanwhile, Ricardo Arias Calderon made reference to the recalling of a few ambassadors by their respective governments, saying that this "dramatizes Panama's isolation," and adding that the permanence of General Manuel Antonio Noriega "constitutes a threat for the country's sovereignty and the canal's nationalization."

The former presidential and vice presidential candidates voiced their opinions regarding various Panamanian political issues.

Ford said that former Foreign Minister Jorge Ritter frequently "put his foot in his mouth," alluding to Ritter's statements regarding the recalling of a few ambassadors by their governments.

Arias Calderon emphasized that the ADOC's pledge to struggle for democratization is also a pledge to struggle peacefully "without blood, as befits the people's character."

The former candidate to the 1st vice presidency in the recent elections, which were annulled by the Electoral Tribunal, described the designation of a new president as "vinegar eels from the same jar."

Arias Calderon said that the OAS decision regarding the Panamanian problem would have an effect on the organization's collective decisions, but some states had expressed their solidarity with ADOC and the Panamanian people.

Meanwhile, Guillermo Endara acknowledged that the opposition's leadership is being repressed but, he said, "we are in this struggle for Panama."

Mr Endara recommended that the Panamanian people develop a peaceful struggle. He said that in the event that political parties are outlawed, the ADOC will continue its struggle for democracy, freedom, and justice in secret. "The Panamanian people are free, not slaves," he said.

Endara later said that the ADOC had aspired to having its candidates recognized as president- and vice presidents-elect, and that the former candidates are proud to be entrusted with "the people's confidence. The people support us automatically," he stressed.

In response to a reporter's question, Endara said, "he who laughs last laughs best."

He said that the Panamanian people defeated Gen Noriega with their votes, and promised to get him out of the FDP.

"The struggle has progressed enormously over the past year," the former presidential candidate said.

Speaking on 31 August of the General Council of State's decision to designate a provisional government, Arias Calderon characterized it to this newspaper as a "coup d'etat."

Arias Calderon asked the Latin American countries to abstain from recognizing the provisional government, adding that he hopes the Latin American countries will reduce their contact with the regime to a minimum.

At the news conference, former candidate Ford referred to the economic sanctions, saying that no civilized country wants sanctions. "The sanctions bear full names, but the people must pay for the broken dishes."

Antigovernment Protests To Stop

PA0109193289 Panama City ACAN in Spanish 1820 GMT 1 Sep 89

[Text] Panama City, 1 Sep (ACAN-EFE)—Panamanian opposition leader Ricardo Arias has told ACAN-EFE that no more public mass demonstrations will be organized to protest the new Panamanian Government headed by Francisco Rodriguez. Arias said the reason for that decision is the "increasing" military "repression" in the country.

Arias, president of the Panamanian Christian Democratic Party (PDC), the main political opposition party, stated that the opposition will use "only peaceful means and civil disobedience," but not violence to protest the appointment of Rodriguez.

The opposition leader described the transfer-of-power ceremony today as a "coup d'etat," and asserted that today's ceremony places Panama "outside the Constitution." Arias said that for that reason, the "struggle to democratize the country" must continue.

Arias "attention was drawn" to the fact that the diplomatic corps accredited to Panama did not attend Rodriguez's swearing-in ceremony this morning. Rodriguez, 50, is an agricultural engineer who until yesterday was the country's comptroller general.

None of the ambassadors accredited to Panama attended the ceremony during which Rodriguez was sworn in by the Supreme Court of Justice as the 49th president of Panama (the seventh president in the current decade).

In addition, Guillermo Endara, former opposition presidential candidate for the 7 May elections, has told ACAN-EFE that the new government "is one of the many hand-picked governments imposed by General Manuel Antonio Noriega," Panama Defense Forces chief and Panama's "strongman."

Endara asserted that the inauguration of the new government "does not solve the Panamanian crisis. On the contrary, it worsens it."

Arias reiterated that the international community should isolate the new government and closely follow "coming" events, although he did not say what events he was referring to.

Similarly, Endara asked the countries of the world "to refrain from taking any actions granting legitimacy to the dictatorship's facade."

U.S. Official 'Misinforming' Bush

PA0109204489 Hamburg DPA in Spanish 2011 GMT 1 Sep 89

[Text] Panama City, 1 September (DPA)—General Manuel Antonio Noriega today accused U.S. Charge D'Affaires John Maisto of "misinforming" U.S. President George Bush.

"Maisto continues to blunder," Noriega said today, reacting to Washington's decision to not maintain diplomatic contacts with the new Panamanian Government headed by Francisco Rodriguez.

The United States announced that it will withdraw its Ambassador to Panama Arthur Davis and that it will not recognize Panamanian President Francisco Rodriguez, whom the United States feels was placed by Noriega.

The Panamanian opposition claims it won the annulled 7 May elections. However, Washington's government has announced that it will not recognize a Panamanian Government in exile (en el exterior).

The United States previously recognized former President Eric Arturo Delvalle as president [words indistinct] after he was deposed by the Panamanian Parliament on 26 February 1988 when he tried to remove General Manuel Antonio Noriega from the Panamanian Armed Forces.

Columnist: U.S. Embassy Should Close

PA0209152289 Panama City CRITICA in Spanish 2 Sep 89 p 8

[From "Today in the World" column by Luis Manuel Martinez]

[Text] The delivery of the Panamanian Embassy keys (stolen by Juan B. Sosa) to the State Department set up an inevitable situation: the U.S. Embassy in Panama will equally have to close its doors in view of the Bush administration's stubbornness in not recognizing the government headed by Francisco Rodriguez.

U.S. Official Kneebone Criticized

PA0309165689 Panama City LA REPUBLICA DOMINICAL in Spanish 3 Sep 89 p 6-A

[From the "Be Informed" column]

[Text] Terrence Kneebone, declared "persona non grata" by Panamanian authorities, still remains in the country in a show of defiance. Not happy with that, he makes statements as cultural attache (CIA agent) in which he shows his contempt for President Francisco Rodriguez and his cabinet. Kneebone is acting as an agent provocateur and spy who conspires against Panama. His abuse of our laws under the cover of a diplomatic immunity he no longer enjoys has reached the limit. In fact, since the United States has closed our embassy and consulates in that country, keeping the keys in the State Department, there is no reason why those Yankee spies should be allowed to continue their destructive work. Diplomacy and international law are based on reciprocity, which in this case does not exist, much less now that they have no legal grounds to recognize a replacement puppet.

Cabinet Appointments Disclosed

PA0109160689 Panama City ACAN in Spanish 1536 GMT 1 Sep 89

[Excerpts] Panama City, 1 Sep (ACAN-EFE)—Francisco Rodriguez Poveda, a 50-year-old agricultural engineer, was sworn in at 0930 today as the 49th president of Panama at the Supreme Court of Justice. [passage omitted]

Government sources disclosed that Rodriguez' cabinet will include Foreign Minister Juan Antonio Tack, who held this post when General Omar Torrijos, the first "strongman" of the regime, was negotiating the canal treaties with the United States that were signed in 1977.

According to the same sources, Darien Ayala, who was the minister of agricultural development until 31 August, will become the government and justice minister.

Orville Goodin and Gustavo Gonzalez, ministers of finance and of planning and economic policy, respectively, will continue in their posts.

According to government sources, the new minister of labor will be George Fisher, who has been a Foreign Ministry official, while Gabriel Diez will become the minister of housing.

Benjamin Colamarco, the "commander" of the "Dignity Battalions," made up of civilians trained and armed by the Panama Defense Forces, will become director of the Institute of Hydraulic Resources and Electrification.

Aurea Torrijos, sister of Gen Omar Torrijos (who died in 1981), will be the new director of the National Culture Institute.

General State Council List Released

PA0309142189 Panama City LA REPUBLICA DOMINICAL in Spanish 3 Sep 89 pp 1-A, 8-A

[Text] New Panamanian President Francisco Rodriguez emphasized in his message last night that he will demand from public officials an exemplary attitude and behavior that will merit the approval of the community.

Rodriguez was also categorical when he stressed: "As never before, our country needs a government team that is morally qualified to lead the Republic."

In this context and in a great journalistic effort, it was learned very late last night the identity of the majority of the members of the General State Council that will accompany the Provisional Government Junta in its administrative task. The list is as follows:

Minister of Government and Justice	Darien Ayala
Deputy Minister of Government and Justice	Dr Rafael Solano
Minister of Public Works	Hidalgo Fung
Deputy Minister of Public Works	Jose Ramon Jaramillo
Minister of Finance and Treasury	Dr Orville Goodin
Deputy Minister of Finance and Treasury	Otilia de Galvez
Minister of Education	Juan Bosco Bernal
Deputy Minister of Education	Martiza Herrera
Minister of Labor and Social Welfare	George Fisher
Deputy Minister of Labor and Social Welfare	Ricardo Monterrey
Minister of Commerce and Industries	Elmo Martinez Blanco
Deputy Minister of Commerce and Industries	Azael Purcait
Minister of Housing	Arturo Diez
Minister of Agricultural Development	Euclides Tejada
Deputy Minister of Agricultural Development	Rodrigo Botello
Minister of Planning and Economic Policy	Dr Gustavo Gonzalez
Minister of the Presidency	Augusto Valderrama
Deputy Minister of the Presidency	Roberto Diaz
General Manager of the National Bank	Rafael Arosemena
Manager of the Savings Bank	Jaime Simons
Director of IPHE [Panamanian Insitute of Special Rehabiliation]	Elvia M. de Ortiz
General Manager of the President Remon Racetracks	Antonio Cardona Mas
Manager of the National Casinos	Benjamin Jayes
General Director of the National Lottery	Marta Amado
Director of the Social Security Fund	Dr Francisco Sanchez Cardenas
Deputy Director of the Social Security Fund	Dr Eduardo Reyes
Director of Civil Aeronautics	Lt Col Pascual Gonzalez
Director General IDAAN [National Water and Sanitation Institute]	Dario Gonzalez de la Barrera
General Manager of the Colon Free Zone	Veyra Remon
Director of the National Port Authority	Lt Col Virgilio Mirones
General Manager of Bayano Cement Plant	Alberto Luis Tunon
Director of the National Railroads	Juan Gabriel Perez
Director of IPACCOP [Autonomous Panamanian Institute of Cooperatives]	Roberto Jimenez
Director of the Banking Commission	Mario De Diego
Director of IRHE [Institute of	Dr Benjamin Colamarco

Hydraulic Resources and Electrification]	
Director of the BDA [Agricultural Development Bank]	Eduardo Marin
Director of INTEL [National Institute of Telecommunications]	Luis Blanco
Deputy Director of INTEL	Pedro Arosemena
Director of the Mortage Bank	Julio Shaik
Manager of Air Panama Airlines	Adsinar Cajar
Deputy Director of INDE [National Sports Institute]	Carlos Afu
Minister of Public Health	Dr Jose Renan Esquivel
Deputy Minister of Public Health	Dr Orlando Allen

[Panama City LA ESTRELLA DE PANAMA in Spanish on 3 September on pages A-1 and B-15 publishes a report giving an "unofficial" listing of the new Panamanian cabinet ministers. The listing in LA ESTRELLA DE PANAMA makes no mention of a minister of agricultural development or a minister of the Presidency.

The LA ESTRELLA DE PANAMA report includes the following additional name and title:

Minister of Foreign Relations—Juan Antonio Tack.

Panama City Domestic Service in Spanish at 2358 GMT on 3 September carries a special announcement from the office of the Presidency of Panama. The announcement advises of new Panamanian cabinet ministers.

The special announcement provides the following divergence in information: Olmedo Miranda was named minister of government and justice, instead of Darien Ayala; Darien Ayala was named minister of agricultural development, instead of Euclides Tejada.

The special announcement adds that Provisional President Rodriguez will announce the names of the rest of the cabinet, including deputy ministers and directors and deputy directors of autonomous and semiautonomous state institutions.

The special announcement further adds that the new cabinet is to be sworn in on 4 September at 1430 GMT at the Presidential Palace.]

Cabinet Members Sworn In

PA0409174989 Panama City Domestic Service in Spanish 1645 GMT 4 Sep 89

[Text] The chief members of the cabinet appointed by Provisional President Francisco Rodriguez were officially sworn in today, 4 September.

According to the official report, here are the names of the appointees announced by the president's office:

Government and Justice Minister	Olmedo Miranda
Public Works Minister	Hidalgo Fung
Finance and Treasury Minister	Orville Goodin
Education Minister	Juan Bosco Bernal
Labor and Social Welfare Minister	George Fisher
Health Minister	Jose Renan Esquivel
Commerce and Industries Minister	Elmo Martinez Blanco
Housing Minister	Arturo Diez
Agricultural Development Minister	Darien Ayala
Planning and Economic Policy Minister	Gustavo R. Gonzalez
Presidency Minister	Augusto Valderrama

This report also indicated that the name of the Foreign Relations minister will be announced soon.

Announcing his cabinet, President Francisco Rodriguez also said that the remainder of his government team will be disclosed this week, including the deputy ministers, directors and deputy directors of autonomous and semiautonomous institutions.

Acting Foreign Minister Appointed

PA0509001689 Panama City Televisora Nacional in Spanish 2347 GMT 4 Sep 89

[Text] Provisional President Francisco Rodriguez today appointed Planning and Economic Policy Minister Gustavo Gonzalez as Panama's acting foreign minister in the absence of a foreign minister.

Meanwhile, it was also learned that the executive branch has appointed an advisory commission that will be responsible for suggesting actions to be taken in the field of foreign affairs. The members of the commission are: Romulo Escobar Bethancourt, Captain Severino Mejia, Oyden Ortega Duran, Adolfo Ahumada, Aquilino Boyd, Luis Navas, and Hugo Giraud. The advisory commission will have its headquarters at the Foreign Ministry facility so that it can offer the commission its technical assistance. Likewise, all the government institutions will offer the commission the help it needs and give the members the information they may request.

Opposition Wants 'Disobedience'

PA0209220989 Paris AFP in Spanish 2144 GMT 2 Sep 89

[Text] Panama City, 2 Sep (AFP)—The Panamanian opposition today issued a call for "civil disobedience" and to delay the payment of taxes as a measure "to strike at the regime's pocket," in the first specific action against the government presided over by technocrat Francisco Rodriguez since yesterday.

Opposition leader Ricardo Arias Calderon told reporters that today begins "a non-violent campaign of civil resistance," that will begin where "it hurts the dictatorship the most, its pocket."

"We will not give a single Balboa to the dictatorship, because we will not buy lottery tickets and we will delay the payment of electricity, water, telephone, and tax bills."

"We will hit the dictatorship's pocket," Arias emphasized, adding that the opposition expects the Panamanian people's full support in this civil resistance campaign.

Although he did not specify what other measures will be carried out by the opposition forces, Arias indicated that "this is only the beginning of the civic resistance."

The opposition Civic Crusade, comprised of business organizations, issued a similar call approximately a year ago, but it was not heeded by the citizens. On that occasion the government accused the Civic Crusade leaders of attacking the country's economy.

Groups that oppose the regime of General Manuel Antonio Noriega, who wields the real power in the country, say they will not hold dialogue with the government—presided over by Rodriguez since Friday—until the military officer leaves command of the Armed Forces.

Endara Reaffirms Loyalty to People

PA0209204389 San Jose Radio Impacto in Spanish 1845 GMT 2 Sep 89

[Text] Guillermo Endara, the Panamanian president elected by the people's will, urges all Panamanians not to be a victim of the provocations of Noriega's criminal forces. The true Panamanian president reaffirmed his loyalty to the people.

[Begin Endara recording] The ADOC [Civic Democratic Opposition Alliance] slate reaffirms its loyalty to the trust we received by the overwhelming majority of Panamanians on 7 May.

The repression by the government, more widespread and brutal every day, prevents Panamanians, for the time being, from openly expressing once again our desire for the end of General Noriega's regime so we may live in liberty, justice, and democracy. Therefore, we urge all our compatriots to remain at home or at their work site and to abstain from participating in any event organized by the dictatorship. [end recording]

This was a statement by Panamanian President Guillermo Endara, elected by the people's will.

Opposition Leader Interviewed

PA0309170489 Bogota Radio Cadena Nacional in Spanish 1355 GMT 3 Sep 89

[Telephone interview with opposition leader Guillermo Endara, former Civic Democratic Opposition Alliance presidential candidate, by an unidentified radio station announcer and Vicente Silva, special Radio Cadena Nacional correspondent to Panama, in Panama City—live]

[Text] [Announcer] Good morning, Mr Endara.

[Endara] Good morning.

[Announcer] Mr Endara, what is the situation in Panama now that a new provisional government has been inaugurated?

[Endara] The situation now is basically the same as the one prior to 1 September. Illegitimacy has taken over public power in Panama. No, I mean, illegitimacy continues to rule this country. The truth is that public power is held by one single person. That person is General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces [FDP]. Noriega uses puppets and places them in the Presidency. We are simply seeing the mask of the new puppet that is being used now. The government only changed puppets. There are no basic changes in the country.

As for the international community, however, I believe the arbitrariness with which the Panamanian Government is elected has amazed the world. For us, that arbitrariness is no surprise. This is the seventh so-called president that we have had in the last 7 years. This is the seventh president this gentleman appoints and dismisses at his own will.

[Announcer] Mr Endara, while all this takes place, while the world politicians say Gen Noriega has imposed a new hand-picked president in Panama, what is the Panamanian people's reaction to all that?

[Endara] The Panamanian people are very aware of what is happening. The Panamanian people know the appointment of this president does not entail any real change or the creation of a new republic as the government is trying to make us believe with its propaganda. The truth is that the new president is a new puppet.

The Panamanian people are waiting for the right time. The Panamanian people know that we will have to wage a big, strong, and historic battle for our democracy and freedom. The Panamanian people are waiting for the best time to attain that freedom and democracy. We want to pay the lowest possible cost for that freedom and democracy. I believe we all see that the time is drawing near. We hope that, when that time comes, we will have the solidarity of our Latin American and Bolivarian brothers.

[Announcer] What do you think of Nicaragua's and Cuba's solidarity—not with you, but with Gen Noriega?

[Endara] The truth is that Nicaragua and Cuba have always been accomplices of the Panamanian dictatorship. Every time the Panamanian dictatorship is in trouble, those two governments come forward to express their support for it. I do not think that solidarity is expressed for ideological reasons, because we know that Panama's autocrat has no ideology. He embodies someone who feels a sheer love for power, or, rather than love, he embodies someone whose sheer interest is to hold on to power.

[Announcer] Mr Endara, the obvious question of course is what are you going to do after all this? What are your plans?

[Endara] We have plans, but we do not wish to release them right now. Our struggle will be basically the same one we have conducted up until now. We will continue with our civic, peaceful, and permanent struggle. We will continue resisting. We will not give one single day of ease to the dictatorship. We will not give one single day of truce to the dictatorship. We will continue to participate in various forms of demonstrations, even if these demonstrations do not make the newspaper headlines. The Panamanian people express their resistance every single day. Panamanians reject this government. Panamanians do not support this government at all. For example, the 1 September presidential inauguration had no support from the Panamanian people. People did not go anywhere. The dictator and his puppets were absolutely abandoned. The streets were empty. That was one way in which we could express ourselves. We will continue to increasingly express ourselves in the streets of Panama.

[Announcer] Even if there is a need to use violence, Mr Endara?

[Endara] We are basically a peaceful people and movement. We inherited Arnulfo Arias' [late opposition leader] ways of struggle. During his later years, Arias showed a great capacity to resist through nonviolence. He taught us the strength found in nonviolence and legal principles. At the end, the force of truth will prevail. We are basically a nonviolent movement. We want to attain our victory and we will do that through nonviolent means. Let them use violence. Let them hit us and mistreat us if they wish. We will continue to have truth as our spearhead. We will take all the blows and bullets they may wish to rain on us.

[Announcer] Mr Endara, have the possibilities of a dialogue between you and General Noriega's regime, as well as of holding new elections, been ruled out?

[Endara] Actually, very special circumstances must prevail in order to hold a dialogue. We held a dialogue with the FDP and with the government under the auspices of the OAS. We insist that the removal of Gen Noriega must be discussed in the dialogue. If we do not discuss the removal of Gen Noriega, we are wasting time and creating false expectations among the people, and this should not be the case.

We would be willing to attend a dialogue, but only with the FDP, because it is the real power. Negotiating with the government is a waste of time, because the government officials do not hold real power and they do not have any power of decision. We would negotiate with the FDP, based on the removal of Gen Noriega. We would not be willing to attend any negotiation or dialogue under any other circumstances.

[Announcer] And how about the elections?

[Endara] We will never rule out any elections or say we will not go to any elections. We definitely believe the regime will not propose any elections. In 1988, the regime proposed holding elections in 1989, and it promised the elections would be legitimate, good, democratic, and honest. As it is, they turned out to be the complete opposite. We won by a very wide margin. However, you are aware of everything that happened. Our victory was annulled.

However, if new elections are called, we will not rule out our participation. We are willing to listen to whatever is proposed. I assure you the government will not convoke elections, because if elections are held, we will win by an even wider margin than in May.

[Announcer] And suppose Mr Francisco Rodriguez suddenly tells you: I am going to hold elections. Will you participate in the elections?

[Endara, laughing] We would have to discuss it. I cannnot decide on that. I would have to discuss this with all the parties of the great alliance we have formed. Never before in the history of Panama has a political group remained united for such a long time as we have now. We have achieved unity based on internal discussions, and I could not make this decision by myself. I would have to discuss it. I would dare say we will never leave the dictatorship to participate by itself, alone, in a political campaign. However, I assure you that neither Mr Rodriguez nor Mr Noriega will convoke elections, because they are truly scared of elections.

[Announcer] Mr Endara, the special correspondent of this radio network, RCN, is still in Panama. Vicente Silva wants to ask you some questions in your own country.

[Endara] I would be delighted.

[Silva] Thank you, Dr Endara. Some sectors in Panama feel the opposition is weakening, or at least adopting stands that are not very strong, not very direct with the regime of Gen Noriega. There have been two or three statements, and on Mr Rodriguez' inauguration day, there was practically no mobilization by the citizens. You people were not seen anywhere. Is there really unity; is there any consensus among the opposition; is the

The board has called a special meeting of the national executive for 9 September to elect the new authorities. [passage omitted]

PCCh Creates Group To Support Aylwin

PY0209194789 Santiago Domestic Service in Spanish 1700 GMT 2 Sep 89

[Text] Chilean Communist Party (PCCh) leader Carlos Molinas Bustos has reported that the PCCh has created the National Command for the Electoral Campaign [Comando Nacional de Campana Electoral] to give decisive support to Christian Democratic Party [PDC] leader Patricio Aylwin, who is the candidate for the Coalition of Parties for Democracy.

[Begin Molinas recording] With great enthusiasm we hold this news conference with representatives of leftist, PCCh, and independent sectors that make up the National Command for the Electoral Campaign. [end recording]

Molinas said that the PCCh will insist on having mobilized and combative masses to defeat Pinochet and Buchi. Molinas added that Buchi is the candidate who will seek to promote the continuation of the current regime. He said that neither demagogy nor electoral intervention will prevent Buchi from being defeated. The presidential election will be held on 14 December.

Molinas said that the Communists will carry out the electoral struggle, along with the masses and the rest of the opposition, following proletarian and popular methods.

He stressed that Aylwin's government will make an important decision to introduce major amendments to the Constitution. He admitted that the decision to support Aylwin was made at the 15th PCCh National Congress.

Meanwhile, PCCh youth leader Guillermo Sherping said that the current negotiations between the PDC and the National Renewal Party seem to be legitimate, but that he does not approve of such talks.

Communist Mouthpiece EL SIGLO Reappears

PY0409150089 Santiago Domestic Service in Spanish 1030 GMT 4 Sep 89

[Text] Leaders of the proscribed Communist Party of Chile [PCCh] have announced the reappearance of their official mouthpiece, EL SIGLO, which was closed in 1973. EL SIGLO will reappear today, Monday, but on a biweekly basis.

Journalist Juan Andres Lagos will be its new director, and Guillermo Torres Gaona will be the chief editor.

The PCCh leaders made this announcement in a note written on a paper with no letterhead and no signature. The note, given to communications media, states that the PCCh official mouthpiece reappeared today, 4 September.

The first issue of the biweekly EL SIGLO carries articles by Christian Democratic Party lawyer Jose Galeano, PCCh union leader Hector Fernandez, commentator Simon Blanco, and rock singer Mauricio Redoles, among others.

Carabineros Kill 1, Arrest 3 FPMR Terrorists

PY0109201189 Santiago Television Nacional de Chile Network in Spanish 1800 GMT 1 Sep 89

[Excerpts] A dangerous FPMR [Manuel Rodriguez Patriotic Front] gang has been arrested in the Fifth Region. One terrorist was killed, three others were arrested, and many weapons were confiscated by the police.

The dead extremist has been identified as Marcelo Esteban Barrios Andrada, 22. He had rented the first floor of a house in the 28 September slum, in Cerro Yungay. He was the second-in-command of the FPMR in the Fifth Region.

According to his landlord Pedro Montoya Diaz, Barrios and his wife pretended to be university students. Barrios participated recently in the robbery at the Valparaiso stock exchange, where an employee was killed.

[Begin unidentified official recording] This man took cover when wounded. He detonated a bomb which killed him instantly and damaged the house. [end recording]

Yesterday in Villa Alemana, amid a spectacular shoot-out, the police arrested Jorge Sebastian Mus Fernandez, 26, who participate in the robbery at the Japanese School in Santiago, and Jorge Eduardo Donoso Gibert, 28, who has a police record and who is the leader of this FPMR gang.

[Begin unidentified official recording] Terrorist Abelino del Transito Villarroel Munoz, 25, was arrested this morning during the same operation in a house on Quebrada Verde Avenue, in Playa Ancha. The police found weapons, bombs, ammunition, and subversive propaganda in Villarroel's house. [end recording] [passage omitted]

This same group of terrorists, who are commanded by a woman, carried out some robberies in Santiago last night. This was confirmed by Carabineros Director General Rodolfo Stange.

[Begin Stange recording] There is a small group carrying out robberies but we will catch them. They have the advantage of surprise. They are also taking advantage of our lack of personnel. [end recording]

Gen Stange said that his force has adopted all the measures necessary to guarantee the safety of the citizenry during September. Special surveillance has been ordered in banks and stores. [passage omitted]

National Prosecutor Ambrosio Rodriguez has said that the strategy of some organized groups is responsible for these recent robberies and attacks.

[Begin Rodriguez recording] I think that these serious attacks are designed to disrupt the normal transition to democracy. All Chileans must remain alert and try to help the country—not just government, the whole country—to put an end to this wave of terrorist attacks.

As we have always said, we knew that this situation would occur and we think it could become worse. This is why we need the help of the citizenry irrespective of their political leanings. We must all agree that this violence must be rejected. [end recording]

The national prosecutor spoke to the media after attending the opening of a new district court in San Joaquin. [passage omitted]

Legal Action on Behalf of Tobalaba Detainees

PY0109210089 Santiago Radio Chilena Network in Spanish 1700 GMT 1 Sep 89

[Excerpts] Ten of the individuals arrested for their alleged participation in the attack on the Army Aviation Command in Tobalaba on 20 August have been held incommunicado for 14 days.

Vicariate of Solidarity lawyers Camilo Marx, Carmen Opaso, and Ana Lia Uriarte have announced they have filed a writ of amparo before the Court Martial to annul the arrest warrant against the prisoners. They termed the arrests illegal and groundless. [passage omitted]

The writ was filed on 29 August on behalf of Hilda Alvarado Jara, Andres Oyarzun Alvarado, Jesica and Claudia Liberona Mignoli, Maria Quijada Donoso, Miriam Rojas Rubio, Angel Droguett Zuniga, Claudio Zenteno Conejeros, Maria Raquel Echiburu Alfaro, and Sandro Salinas Gallego.

All the arrests were carried out by National Intelligence Center agents without court orders. [passage omitted]

Copper Miners Strike Over Work Schedule

PY0209175389 Madrid EFE in Spanish 0340 GMT 2 Sep 89

[Text] Santiago, 1 Sep (EFE)—Some 4,500 miners today began a legal strike at the El Salvador copper mine, 1,000 km north of Santiago, over disagreements in their collective bargaining talks with their employers.

The Salvador mine, which produces 100,000 tons of refined copper per year, is one of the four largest copper mines owned by the powerful Copper Corporation (CODELCO), the state-run company that owns the large copper mines in Chile.

Mine union leaders have reported that the strike, which began at 0800 today, is being observed by almost 100 percent of the miners of the mining, concentrate processing, smelting, and refinery sections.

The miners are staging the strike because they disagree with the company's decision to implement a rotational work schedule, which will cause them to have their days off any day during the week, not on specific days as it is currently arranged.

CODELCO has promised to pay a bonus payment of 20,000 pesos ($80) per month to the miners if they accept the new work schedule. The miners have not accepted the proposal.

Minister Notes IMF $95-Million Loan Approval

PY0109210389 Santiago Television Nacional de Chile Network in Spanish 1800 GMT 1 Sep 89

[Excerpts] Finance Minister Enrique Seguel has reported that the IMF has agreed to the disbursement of new financial resources. He added that through this new stand-by [previous word given in English] loan the IMF will disburse about $95 million to Chile.

With this new agreement, the Chilean Government closes a new chapter in its negotiations with the IMF. It is expected that this new agreement will be approved in the first sessions of the IMF annual conference. [passage omitted]

Seguel added that the August inflation rate will be about 1 percent and that imports will experience a sharp decrease.

Reports on Economic Development

PY0109213589 Santiago Radio Chilena Network in Spanish 1700 GMT 1 Sep 89

[Text] Today Finance Minister Enrique Seguel reported that during the first half of this year the national economy grew by 10.4 percent but that he expects to final figure for the entire year will level out at about 7 percent.

He explained that growth is already slowing down, as shown by sales and production indicators in general. During a lecture about the past and the future of the national economy, Seguel said that the current administration has run the economy very wisely and that this is why the government has adopted measures to restrict its growth.

He added that a growth of 10.4 percent cannot be sustained for long without considerably increasing investments and savings. He said that for the future benefit of the country the government has contracted credits with the World Bank, the IDB, and the Eximbank of Japan, for $1.3 billion. [recorded passage indistinct]

Seguel also reported that the short-term commercial credits for $1.6 billion which where scheduled to expire this year have been extended until the end of 1990. He also said that a technical agreement has been reached with the IMF so that this organization will grant Chile a credit for $95 million to finance operations aimed at reducing the foreign debt.

opposition strong; or—as many foreign newsmen say—is the opposition crumbling slowly, Mr Endara?

[Endara] I believe that impression you have is completely wrong. We respect the criteria of the newsmen who have visited Panama, as they are very well versed in politics. However, we believe they have not understood the Panama situation. If you observed that we did not go out on 1 September on any march or any demonstration, it was because we did not want to expose the Panamanian people to a very high risk of repression. The military dictatorship spent nearly 2 weeks preparing its shock groups that have a most inappropriate name, the Dignity Battalions. These groups have no dignity at all.

They prepared [corrects himself] they said that on 1 September we were going to occupy all the ministries, that we had plans to take over those buildings. Hence, they carried out actions to prevent alleged attacks in various streets in Panama City.

We did not want to expose the people in a senseless battle in which they would be beaten up for nothing. Therefore, we asked the people to remain calm in their homes. You may have observed that the people did not participate in the installation ceremony. There was a notorious absence of popular support in those events.

The Civic Democratic Opposition Alliance [ADOC] is a union that began in 1984, although it had previous roots. It is the most durable alliance in Panama's history. It has never been as strong and united as it is now. There is no weakening or decay. If you think so, you are wrong. I can tell you that the fact that you do not see violence in the streets does not mean that there is no resistance to the established government. It only means that there is a peaceful movement which will not carry out acts of violence. There will be marches and demonstrations in due time, but we will prevent violence at all costs. We can always count on violence from the other side; however, we will not let violent actions from our counterpart cause unnecessary damage to the Panamanian people.

[Silva] Endara, what is the ADOC'S position regarding President George Bush's decision to break all diplomatic ties with Gen Noriega's regime, and also regarding the U.S. Government's announcement that it will increase economic pressures, further restrict the economic cooperation with a government of that nature, and implement new sanctions against the general's regime?

[Endara] I must say that the attitude adopted by the Bush administration is the attitude that the majority of Latin American countries should have adopted. That is what we expect from Latin American countries. We want our Latin American brothers to accompany us in our struggle for liberty and democracy. We would have liked the Latin American countries to be the first ones to take action. Unfortunately, an Anglo-Saxon country having a different cultural background took the initiative. We demand solidarity from our Latin American brothers, particularly from our Bolivarian brothers. I must stress that we expected more solidarity from our old brother Colombia, as we were part of it and we are proud of our historical bonds. We expected greater solidarity from Colombia. We were certainly hurt by Foreign Minister Londono's stinginess at the OAS; he was stingy in showing solidarity with the Panamanian people. In order to reach a consensus, he was practically willing to forget that there is a dictatorship in Panama, that in Panama we are moaning under the chains of a tyrant. We really expect greater support and solidarity from Colombia. We know that we have the support of the Colombian people, but we are indignant at the stinginess of the foreign minister of this great Colombian people in showing solidarity with the Panamanian people.

[Silva] Endara, the agreements reached at the General State Council, which culminated in the appointment of a hand-picked president and vice president in Panama, also call for the creation of several government institutions, including a sort of emergency legislative chamber made up of 41 members. As members of the opposition, would you be willing to participate in that legislative chamber, in that emergency legislative body?

[Endara] Absolutely not. In no way will we participate in those antidemocratic measures such as electing a hand-picked legislative body. We ask the Panamanian dictatorhip's finger to point elsewhere, away from the people who honor democracy and who are dignified by their love for freedom. We do not want that filthy, disgraceful, and bloody finger pointing at us. Under no circumstances will we accept a hand-picked appointment for a legislative chamber. We are democrats by conviction and therefore would never accept such an autocratic form of government.

[Announcer] Mr Endara, you said that Colombian Foreign Minister Londono assumed a stingy position. Would you not say this was mainly because, on the one hand, he had to reconcile the interests of the various OAS countries, and, on the other hand, because it was an OAS responsibility?

[Endara] He was the president of the OAS foreign ministers meeting. Had he not assumed that stingy position as I said, he could have led the OAS to better grounds. I always thought that the OAS was created based on the principles of democracy and freedom. I never thought that the OAS was created to harbor or accommodate dictatorships, which is in fact what occurred under Londono's presidency during the two last sessions, which practically sought to accommodate the dictatorship.

[Announcer] Do you think that the OAS should be totally restructured at this time?

[Endara] We hope that when we reach the Presidency—I am sure that the Panamanian people will take us to the Presidency, because the people will govern from the Presidency—we will propose a more radical policy in relation to liberty and democracy in the OAS. We cannot be neutral or too diplomatic with dictators and tyrants.

[Announcer] There is a question in the air, a concern regarding what government advisers—of General Noriega's regime—have proposed in the sense of filing a suit against the United States at the International Court of Justice for the economic crisis it caused with its blockade of Panama. Do you agree with that? Would the opposition support the government if it filed that suit?

[Endara] What suit? I am sorry, I did not hear the question. Could you repeat it please?

[Announcer] A suit against the United States at The Hague Court for its economic blockade of Panama.

[Endara] We have a firm position regarding these issues. The dictatorship, the Panamanian tyranny keeps referring to our sovereignty over and over. We maintain that sovereignty belongs to the Panamanian people, and when it rests in the people's hands everyone must respect our sovereignty. However, we cannot talk about sovereignty in Panama when it rests in one person. We will not accompany the dictator, the tyrant, in any struggle to maintain its tyranny and its dictatorship. We believe that the dictator himself has driven us to this confrontation. We believe that were the government in the hands of the people there would be no problem with any country. I am not only referring to the United States, but to Europe, and even Asia and our dear Latin American countries. This dictator has put us through all kinds of problems. We Panamanians are living under a kind of Hitler.

[Announcer] You said that presidents imposed by Gen Noriega during the past 7 years—seven in total—have been practically puppets manipulated by Gen Noriega. What do you think of former President Solis Palma? Do you think he is a mediocre person [pobre hombre]?

[Endara] He is a very mediocre man.

[Announcer] What do you think of the new president Rodriguez?

[Endara] He is a totally colorless figure. He is a great bureaucrat with no ideology. He is someone who is mentally and professionally designed to work with the left, right, dictatorship, democracy, with anyone. He has no political presence. He is a simple bureaucrat who makes no impression.

[Announcer] Mr Endara, based on the election results and the people's attitude in May, do you consider yourself the president of the Republic at this time?

[Endara] I am not the president of the Republic because I have not assumed that position, and I will not assume that position until I can really hold power. We [rephrases] I do consider myself the president-elect, however, not as a personal honor, but to serve the people.

I am sorry, but I have other commitments at this time and this interview has been quite long.

[Announcer] Thank you, Mr Endara, you have been very kind.

[Endara] You are welcome.

U.S. Economic Sanctions Rejected

PA0409183889 Panama City Circuito RPC Television in Spanish 1739 GMT 4 Sep 89

[Text] Guillermo Endara Galimany, Ricardo Arias Calderon, and Guillermo Ford, spokesmen of the Civic Democratic Opposition Alliance, held a news conference in the Vallarino Building at approximately 1100 on 2 September. They reiterated their opposition to the new government headed by Francisco Rodriguez and refused to continue a dialogue under the same conditions as before—that is, under the sponsorship of an OAS commission. They labeled the break of U.S. relations with our country as support for the people of Panama. Regarding new economic sanctions against Panama, Guillermo Endara Galimany had this to say:

[Being recording] [Endara] I do not know of any new economic measures announced by Mr Bush. I am not familiar with any. We have said on several occasions that we did not agree with any new economic measures or sanctions.

[Reporter] But Mr Terrence Kneebone [U.S. Embassy public affairs officer] talks of a list of 100 Panamanian businessmen who support the regime, and even Panamanian companies that could be affected by these new measures. He went as far as saying that instead of using a hammer he was going to use an knife.

[Endara] I am not aware of any economic measures. With all sincerity, I repeat: I am not aware of any new economic measures. No matter what they are, we have stated and are stating that we do not agree with new economic sanctions against the Panamanian people. [end recording]

Opposition Not To Join Commission

PA0409220989 Panama City ACAN in Spanish 2106 GMT 4 Sep 89

[Text] Panama City, 4 Sep (ACAN-EFE)—The Panamanian opposition announced today that it has turned down a government invitation to include opponents of the regime in a 41-member "legislative commission," which will be formed by the State Council in the next few days.

One of the main opposition leaders, Ricardo Arias Calderon, from the Christian Democratic Party, explained the proposal was rejected because the opposition's struggle "is for the country's democratization and not for bureaucratic arrangements or political maneuvering room."

Arias told the media that the invitation was made to the opposition "in various ways and in a very clear manner."

but he did not go into further details and he did not say how many seats in the "legislative commission" had been offered.

According to Arias, the opposition has not ruled out a dialogue with the provisional government and the Panama Defense Forces [FDP]. It will agree to hold a dialogue only to discuss General Manuel Antonio Noriega's departure from the FDP leadership and "respect for human rights and the people's will as expressed in the 7 May elections."

Francisco Rodriguez, who was appointed by a State Council and was sworn in as Panamanian president on Friday, 1 September, as head of a "provisional government," asked "all sectors of the country," both pro-government and opposition, for an "opportunity to build a new fatherland, without holding any grudges, without making any obsessive claims, and without any conditions."

Arias said that the call made by the provisional president "does not touch the root of the problem. The problem is Gen Noriega's departure and a definition of the relations between civilians and the FDP."

The State Council, of which Noriega is a member, chose Rodriguez as president and Carlos Ozores as vice president. It also announced that it will soon create a "legislative commission" and that the possibility of holding new elections will be discussed in 6 months if the United States lifts the sanctions that were imposed on the regime in 1988.

Media Review on New Government

PA0109222589

[Editorial Report] The following is a special issuance of the Panama Media Review devoted to initial Panamanian media reaction to the appointment of a provisional government and to the special 31 August OAS session on Panama. The review covers 1 September newspaper editorials and broadcast reports.

Media Claims Veteran Administrator at the Helm

The pro-government newspapers MATUTINO and LA ESTRELLA DE PANAMA today described Provisional President Francisco Rodriguez as an experienced economist and administrator who is well suited to the task of solving the economic problems caused by "U.S. aggression."

MATUTINO columnist Ricardo Lince said that Rodriguez' appointment was a "logical choice" in view of the opposition's refusal to join a national unity government and President Bush's "announcement that he will not recognize any nationalist government and instead will step up the blockade and the pressure of a military invasion." Lince noted that as comptroller general over the last 5 years, Rodriguez "drew up and carried out one of the most dramatic rescue operations of a country that was condemned and was being inexorably pushed toward bankruptcy." Lince credited the provisional president with taking charge of a "crumbling economy and guaranteeing, through tight control, the administration's vitally needed stability by meeting the government payroll and all the financial commitments to ensure the continued operation of state services."

Another MATUTINO commentator, Adolfo Benedetti, said that the greatest challenges facing Rodriguez and other new government officials "are the repertoire of punitive measures that Washington has decreed against the fatherland." Benedetti said that the public must understand that the choice of Rodriguez was dictated by the need for the "technical expertise of a public administration that must resolve the economic and social problems caused by 2 years of unrelenting U.S. aggression."

LA ESTRELLA, while noting that the appointment of a provisional government "is neither normal nor the most advisable" solution by constitutional standards, commented that the new president may serve as an "asset" in the existing economic situation. LA ESTRELLA predicted that "the U.S. Government's aggression will increase to the utmost" at the same time that diplomatic missions in Panama "are showing signs of being distrustful and even displeased" about the Panamanian Government. The newspaper went on to say that Panama's economic problems will continue to worsen and "public services will have to be curtailed to unprecedented levels." These conditions, LA ESTRELLA observed, require an administration "in which government expenditures will be rationed and in which government officials will be forced to be honest in the handling of funds."

OAS Hearing on Noriega

The Panama City Domestic Service talk show "Liberation Trails" today focused on the 31 August special session of the OAS Permanent Council convoked by the United States to present evidence on General Manuel Noriega's drug trafficking activities. Rigoberto Paredes, a regular participant on the show and a legislator with the governing Democratic Revolutionary Party (PRD), was joined by political commentator Baltazar Renan Aizpurua in a 75-minute program that featured a telephone interview with Romulo Escobar Bethancourt, the Panamanian Government representative to the special OAS session in Washington. Escobar dismissed a report presented by U.S. Deputy Secretary of State Lawrence Eagleburger on Noriega's personal wealth and holdings, which the United States maintains was obtained through links with drug traffickers.

On the specific question of one of Noriega's residences, Escobar said "the mere fact that one has a $600,000 home does not mean that one has committed a crime." Escobar said that if the U.S. representative were to come to Panama, he could "show him a large number of homes worth $600,000 or more that belong to prosperous Panamanian professionals. Would he then say that each of these persons' homes that is valued at more than $600,000 is the product of drug trafficking?" Escobar also rejected U.S. claims that Noriega owns a Boeing 727, asserting that he could prove that the aircraft belongs to the Panamanian Air Force.

Escobar described as a "parody" the U.S. position that it cannot provide proof against Noriega because it would jeopardize his right to an impartial trial. He went on to say the United States "cannot judge Noriega impartially because they have already practically condemned him through their magazines and newspapers."

Comparison of Council Proclamation

PA0109190689

Panama City CRITICA in Spanish on 1 September on pages 21 and 26 publishes the proclamation issued by the General Council of State. The CRITICA version has been compared to the Panama City Domestic Service version published in the 1 September Latin America DAILY REPORT, page 28, and found to be identical except for the following:

page 29, column two, from end of line eight, CRITICA version reads: ...on our knees. [new paragraph] Panama City, 31 August 1989. Manuel Solis Palma, minister in charge of the Presidency; His Excellency Rodolfo Chiari de Leon, government and justice minister; His Excellency Jorge Eduardo Ritter, foreign relations minister. (providing date and signature of government officials)

Escobar Refutes Drug Charges Against Noreiga

PA0109163389 Panama City ACAN in Spanish 1436 GMT 1 Sep 89

[Text] Panama City, 1 Sep (ACAN-EFE)—The Panamanian Government today maintained that on 31 August the United States did not present "any evidence" regarding the alleged links of General Manuel Antonio Noriega with drug traffickers because it "has no evidence."

"The United States did not present any evidence simply because it has none," Romulo Escobar Bethancourt has said. He was the Panamanian Government representative who last week at the OAS challenged the United States to prove its charges against Noriega.

"It has no evidence, neither public nor private," Escobar Bethancourt emphasized during a program on the (state) Panama radio service, adding that all the United States has on the commander of the Panama Defense Forces is "a campaign of slander, libel, and infamy."

"If the United States says it cannot openly present the evidence," he added, " why is it openly accussing and condemning him?"

Trying to prove Noriega's alleged links with drug trafficking, U.S. Deputy Secretary of State Lawrence Eagleburger on 31 August presented at the OAS a detailed report on the personal wealth of Noriega, estimated to be somewhere between $200 and $300 million.

However, Eagleburger did not present any witnesses or evidence and said he would not fall "into the trap that perhaps the Panamanian representative was trying to set—to endanger our ability to prosecute Gen Noriega because we violated the rights given to him by our judicial system."

"There was no trap," Escobar Bethancourt replied today. He maintained that the U.S. deputy secretary of state simply presented a list of "old" charges, taken "out of what has been reported by the newspapers in the last few years." "We do not believe them; they have to present the evidence," the Panamanian Government representative stressed.

The OAS Permanent Council, he added, was called for 31 August by the United States to "tarnish the transfer of power in Panama." Francisco Rodriguez, appointed on 31 August by the Council of State to replace Manuel Solis Palma, will be sworn in today as the new Panamanian president.

Regarding two of Noriega's properties listed by Eagleburger—a Boeing 727 and a $600,000 residence in Panama—Escobar said the first one actually belongs to the Panama Defense Forces [FDP]. Concerning the residence, he explained that this is the value of the residences of many "prosperous businessmen" in Panama.

Moreover, he added, the United States has to prove, if it can, that Gen Noriega's properties were purchased "with money obtained through illegal means." Escobar Bethancourt said: "It is not a crime to have a house if it cannot be proved that the money to buy it was obtained through illegal means." He added that in view of the open U.S. campaign against Noriega, "it cannot be an impartial judge.

"The United States will not be able to prosecute Noriega because it will not find jurors in any state" who are not influenced by the publicity given to the case, the Panamanian Government representative explained.

Escobar Bethancourt maintained that the purpose of the U.S. plan to prosecute Noriega for his alleged involvement in drug trafficking is "to destroy the FDP, to reorganize the FDP as it best suits the United States," and to maintain its military presence in Panama after the year 2000.

According to the 1977 canal treaties, the U.S. military presence in Panama should end in December 1999.

U.S. Army Flag Hoisting Said Treaty 'Violation'

PA0309151189 Panama City Domestic Service in Spanish 1145 GMT 3 Sep 89

[Text] In open violations of the Torrijos-Carter treaties, the U.S. Army carried out a unilateral action without consulting with anyone and proceeded to install two flagpoles at the fuel depots in Loma Coba, Arraijan [U.S. Naval Station, Panama Canal, Arraijan Tank Farm]. The U.S. Army then hoisted a U.S. flag and a battalion flag from that military base.

By installing a U.S. flag and a flag of the military battalion of that base, the U.S. Army violated Article 7 of the Panama Canal treaty and Article 5 of the agreement for the implementation of Article 4 of the canal treaties, which specify that the Panamanian and U.S. flags will be flown jointly.

Former Foreign Minister Leaves for Belgrade

PA0109201089 Panama City ACAN in Spanish 1227 GMT 1 Sep 89

[Text] Panama City, 1 Sep (ACAN-EFE)—Panamanian Foreign Minister [as received] Jorge Ritter left a few hours ago for Belgrade to attend a meeting of foreign ministers of the 102 nonaligned countries in preparation for the 9th nonaligned summit.

Shortly before his departure, Ritter told the press he is traveling with the consent of Manuel Solis Palma—minister in charge of the Presidency of Panama who yesterday concluded his term—and at the request of Francisco Rodriguez, the provisional president.

Ritter told the press that in Belgrade he will present the evidence of the "economic, political, and military aggression" of the United States against the Panamanian people.

At the nonaligned foreign ministers' meeting, Panama will also present charges regarding the "constant violations" by the United States of the Torrijos-Carter canal treaties.

Ritter was the first minister of President Manuel Solis Palma's cabinet to announce on 31 August his resignation in view of the establishment of a new government presided over by Francisco Rodriguez that will take over this morning.

Radio Impacto Correspondent Arrested

PA0309000889 Hamburg DPA in Spanish 2346 GMT 2 Sep 89

[Text] Panama City, 2 Sep (DPA)—Erquidia Santos, correspondent for the Costa Rican station Radio Impacto, was arrested today by Panamanian authorities.

Erquidia Santos, a Panamanian citizen, is a journalism student of the School of Social Communications at the National University of Panama, and she also worked in the now closed radio station KW Continente.

According to Rogelio Cruz, lawyer for the Panamanian Committee for Human Rights, the authorities claim that documents that were termed subversive were found in a vehicle stolen from the correspondent weeks ago.

Cruz also revealed that the necessary legal measures are being taken to secure the release of Erquidia Santos.

Argentina

Menem on Willingness To Meet UK's Thatcher

PY0109134389 Buenos Aires TELAM in Spanish 1314 GMT 1 Sep 89

[Text] Buenos Aires, 1 Sep (TELAM)—President Carlos Menem today said he sees "no problem" in meeting with British Prime Minister Margaret Thatcher if the development of events to resume bilateral relations with the United Kingdom deem it necessary.

Menem answered questions today at Government House. When told that reports in Great Britain indicate that the prime minister is willing to hold a meeting, Menem said: "in good time."

Senators Menem, Leon View Falklands Issue

PY0109231789 Buenos Aires DYN in Spanish 1946 GMT 1 Sep 89

[Text] Buenos Aires, Sep 1 (DYN)—Acting Senate President Eduardo Menem and UCR [Radical Civic Union] Senator Luis Leon agreed today that a dialogue with the British is necessary, but they looked at the Malvinas issue from different viewpoints.

Senator Leon ironically asked "what interests or friendship" can be shared by the British and the Argentines, and said that the dispute over the Malvinas "involves the honor and dignity" of Argentina. Senator Menem affirmed that "advances have been made" on this matter because Great Britain now admits that there is a dispute over the sovereignty issue, something they did not even acknowledge before.

Both senators made statements shortly before departing for London as members of the delegation of Argentine senators and deputies who will meet with their British counterparts in an international convention of legislators in the British capital.

Menem said that the negotiations "will progress rapidly," although he added that he does not "believe that the final objective will be reached" rapidly. He also said that everything is moving quickly and that there is "quite a broad" bilateral agenda of topics related to the Malvinas issue.

He also said that the possibility that British Airlines might establish direct flights between Buenos Aires and London "is the result of the progress being made toward normalization of relations" between the two governments.

Menem added that he is satisfied with the fact that the umbrella formula for the Malvinas sovereignty has been adopted. He said: "That formula, which had been considered by the Alfonsin government, was only recently accepted by Great Britain, which did not even recognize that a dispute over sovereignty existed. Now, by accepting that formula, Great Britain is admitting that the dispute exists."

Finally, Menem said that a meeting between President Menem and British Prime Minister Margaret Thatcher "is necessary" and that "they must talk as do all heads of state."

Senator Leon explained that he was traveling as a representative of the Latin American Parliament—which he now heads—and that although "the responsibility is different, the fact that I am an Argentine and that I will be in London" will lead to discussions over the Malvinas.

He admitted that the current Justicialist government "has adopted a policy of understanding and flexibility that has made negotiations possible," and he said that this policy will lead to the normalization of diplomatic relations.

Senator Leon, however, noted that "we do not have common interests nor friendship." "What is the normalization based on?" he asked. Then he added that maintaining a cold policy toward the British Government "involves the honor and dignity" of the country.

After alluding to those "who are stealing" fish in the South Atlantic, Leon said that he thinks former President Alfonsin should remain silent at least until 10 December, during the time that "we, the Radicals, should have been in government."

Leon, Menem, Speaker of the Chamber of Deputies Alberto Pierri, and a group of legislators traveled to London today to participate in the 82d Inter-Parliamentary Union Conference, which will be held in that city.

Senator Menem will make a stopover in Madrid, where he will probably contact high officials of the Spanish Government, and then he will continue to the British capital.

The Argentine legislators have meetings scheduled with members of the British Admiralty and with the head of the so-called "Malvinas Group," Lord Montgomery.

Refering to the topic of the developing countries' foreign debt, Senator Leon anticipated that his speech "will focus on the connection between the foreign debt and the conditions of poverty prevailing in many countries of the world."

Menem Leaves for Nonaligned Meeting in Belgrade

PY0209225889 Buenos Aires TELAM in Spanish 2144 GMT 2 Sep 89

[Excerpts] Buenos Aires, 2 Sep (TELAM)—A few minutes before departing for Yugoslavia, where he will participate in the Ninth Conference of Heads of States or Government of the Nonaligned Movement, Argentine President Carlos Menem stated that he was leaving the country "on a good track," and that "now keeping the country on track will depend on all Argentines." [passage omitted]

Menem left on a regular Argentine Airlines flight. He was accompanied by a small delegation made up of Foreign Minister Domingo Cavallo, presidential spokesman Humberto Toledo, his private secretary Ramon Hernandez, and military household chief Brigadier Andres Antonietto.

Menem stated that the objective of his trip is "to continue gaining a place in the international community, and especially, to reinstate the Third World in this current world which has recently changed so spectacularly."

Menem said that the member countries of the Nonaligned Movement "have tremendous importance, provided that they know how to follow up on the development I have mentioned. Our presence within this movement will be ever more important." [passage omitted]

Defense Minister Installs New Under Secretary

PY0409001489 Buenos Aires DYN in Spanish 2032 GMT 1 Sep 89

[Summary] Buenos Aires, 1 Sep (DYN)—During a ceremony at the Defense Ministry today Defense Minister Italo Luder installed Luis Garcia Orlando as the new under secretary for institutional affairs and administrative coordination.

Government Issues Decree To Streamline Railways

PY0209030089 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2250 GMT 1 Sep 89

[Text] Buenos Aires, 1 Sep (NA)—President Carlos Menem today signed a decree ordering a thorough reorganization of Argentine railroads. The measure includes the privatization of some railway lines, as well as a drastic reduction of expenditures and the rescheduling of the investments program.

The decree was signed by President Menem, all the members of his cabinet, railway authorities, and union leaders during a ceremony at Government House.

Bolivia

Government Announces Arrest of Drug Trafficker

PY0209033489 Madrid EFE in Spanish 0131 GMT 2 Sep 89

[Excerpt] La Paz, 1 Sep (EFE)—The Bolivian Government revealed today that one of the five major Bolivian drug traffickers, Jose Ali Parada, has been arrested by security forces during an offensive against drug traffickers. Social Defense Deputy Minister Gonzalo Torrico reported that Jose Ali Parada, who has been sought for 2 years by the police as one of the five drug "barons" in Bolivia, was arrested yesterday in the city of Santa Cruz by the Mobile Units for Rural Areas (UMOPAR).

At a news conference, Torrico said that "this clearly and irrefutably shows that we are determined to confront the drug traffickers."

In August 1987, a judge in Trinidad City, Northeast of La Paz, sentenced Ali Parada to 10 years in jail for cocaine trafficking. [passage omitted]

Debt Settlement Reached With Argentina

PY0209034489 La Paz Radio Fides in Spanish 2330 GMT 1 Sep 89

[Excerpt] The settlement of the Bolivian and Argentine bilateral debts has solved the national treasury's liquidity problem. Otherwise, the national treasury would have gone bankrupt, and the government would not have had the funds to pay the public servants' salaries.

Bolivian President Jaime Paz Zamora is satisfied with the settlement of the $800 million Bolivian debt to Argentina and the $300 million Argentine debt to Bolivia, which has solved that economic problem.

[Begin recording] [Paz Zamora] I would like to point out that the negotiations and their solutions are the result of new direct contact, from president to president, established by the new regime. I am also in direct telephone contact with other presidents. This is the result of the permanent dialogue I maintain with President Menem and with other friendly Latin American and European presidents.

[Reporter] [Question indistinct]

[Paz Zamora] We should be very happy because the solution reached with Argentina has, in fact, allowed us to cover the shortage in the treasury left by the previous government. In other words, had we not reached this agreement, we would not have had the money to pay salaries next month. Do you understand what that means? We would not have been able to pay salaries next month had we not carried out this negotiation within the next 20 days. [end recording]

On a related matter, Minister of the Presidency Gustavo Fernandez during a news conference today explained that the Argentine Government was politically committed to periodically paying the bills for the purchase of Bolivian gas. At the same time he noted that this agreement had improved the Bolivian economic situation which was much worse than many imagined. [passage omitted]

Brazil

Supreme Court Authorizes Arrest of Traffickers

PY0209142889 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 2 Sep 89

[Text] The Supreme Federal Court [STF] in Brasilia has notified Justice Minister Saulo Ramos of its decision to authorize the Federal Police to arrest 12 Colombian drug traffickers in Brazilian territory.

The U.S. Government had requested that the STF authorize the arrest of the drug traffickers in order to extradite them through the U.S. Embassy in Brasilia.

Varig Plane Missing With 54 on Board

PY0409122089 Madrid EFE in Spanish 1119 GMT 4 Sep 89

[Text] Belem, 4 Sep (EFE)—Jopao Paulo Vatri, the manager of the Brazilian airline Varig today reported that a Boeing 737 belonging to his company has been missing since the night of 3 September. The airliner was carrying 48 passengers and a crew of six.

Varig Flight 254, on the Sao Paulo-Uberlandia-Imperatriz-Maraba-Belem route, lost contact with air control on the last leg of its trip, at approximately 1725 local time (2025 GMT), after having reported that it was going to attempt an emergency landing at the Carajas Airport in northern Brazil.

Aeronautic authorities began search and rescue operations last night along the Belem-Maraba leg of the route and stepped them up this morning. So far there have been no results.

Campaign Office of Presidential Candidate Bombed

PY0209185289 Rio de Janeiro Rede Globo in Portuguese 1600 GMT 2 Sep 89

[Text] Two homemade bombs exploded early this morning at the electoral committee office of presidential candidate Fernando Collor de Melo in Passo Fundo, Rio Grande do Sul State. Nobody was injured. Civilian and military police are investigating the attack.

Finance Official To Travel to New York

PY0409183089 Sao Paulo FOLHA DE SAO PAULO in Portuguese 2 Sep 89 p C-5

[Text] Since the Central Bank imposed restrictions on remittances abroad in July, Brazil has fallen behind in servicing its foreign debt by more than $100 million, said Sergio Amaral, foreign affairs secretary of the Finance Ministry, yesterday. On 8 September, Amaral will go to New York, where he will meet with creditors to arrange the country's balance-of-payments obligations until March 1990, when the country's new president will take office.

Amaral affirmed that his aim is simply to avoid "turbulence" with the international financial community and avoid overexposing the country's foreign reserves until the new government takes office. According to him, the alternatives the government will offer the bankers have not yet been defined. Next Monday, Amaral will discuss four alternatives with Finance Minister Mailson da Nobrega.

The first alternative is transforming the $2.3 billion falling due this September into "new debt" by converting this sum into debt principal. The second alternative is requesting a new loan to make this payment—which is not really different from the first alternative. The third and fourth alternatives might be operations resembling issuance of bonds or debt conversion intended to reduce payments. Amaral said that he will see if the latter alternatives could "have a chance." He affirmed that he will not wait for an answer from the IMF before negotiating with the creditor banks, for he has little optimism about the possibility of an agreement with this organization. "I cannot wait any longer," Amaral said.

Correction to No Military Aid to Colombia

PY0109144489

The following correction pertains to the item headlined "Government Not To Aid Colombia Militarily," published in the 31 August Latin America DAILY REPORT, page 30:

Page 30, second column, second paragraph, first sentence: ...Mirage fighter planes, F-5's, and Xavante planes, and... (correcting aircraft designations)

Chile

Foreign Ministry Views Panama 'With Concern'

PY0109185589 Santiago Television Nacional de Chile Network in Spanish 1800 GMT 1 Sep 89

[Text] Foreign Ministry spokesman Carlos Ducci has reported that the Chilean Foreign Ministry views the Panamanian situation with concern. He added that the Chilean ambassador to Panama, who is currently on leave in Chile, is briefing the government about the Panamanian situation.

Ducci said that the Foreign Ministry is studying the Panamanian situation, gathering information on the issue, and evaluating the OAS negotiations. He added that the Chilean Foreign Ministry is in permanent contact with the OAS through Chilean Ambassador Javier Illanes.

Moreover, Ducci stated that the Chilean Government has not yet decided whether to recognize the new Panamanian provisional government. A decision in this regard will be made by next week. He reported that virtually all Latin American countries, with the exception of those represented in the OAS negotiating group, have withdrawn their ambassadors from Panama.

Socialist President, Secretary General Resign

PY0109185189 Santiago Radio Chilena Network in Spanish 1700 GMT 1 Sep 89

[Excerpt] The president and the secretary general of the Chilean Socialist Party, Ximena Orrego and Juan Carlos Moraga, respectively, have submitted their resignations.

According to an official communique, Irma Tolosa, the current secretary general of the women's command, will be acting president until a new president is elected.

Colombia

Minister Urges U.S. Campaign Against Drug Use

PA0109195589 Bogota Inravision Television Cadena 2 in Spanish 1758 GMT 1 Sep 89

[Text] Defense Minister Oscar Botero Restrepo today hosted a news conference for local and international journalists to give details on the most recent operations against the mafia.

Over 100 local and international reporters attended at noon today a news conference called by Colombian Defense Minister General Oscar Botero Restrepo. He discussed various topics, including the intervention of foreign troops in Colombia.

[Begin Botero recording] I believe that the best assistance the United States—and in general all the countries where drugs are consumed—could give us is to truly carry out a very positive campaign in their respective countries with the purpose of substantially reducing drug use. Undoubtedly, if such great demand and such great economic capabilities as there are now in the United States and Europe continue for purchasing drugs, it will be very difficult for our countries to reduce production. I believe this would be the best assistance the United States could give us. [end recording]

In conclusion, the defense minister said that the Colombian Government will continue waging war against narcotics trafficking.

Air Force Chief Comments on U.S. Aid

PA0509014889 Bogota Inravision Television Cadena 1 in Spanish 0015 GMT 5 Sep 89

[Report by Jorge Cura]

[Text] The first A-37 planes sent by the United States to Colombia have arrived in Barranquilla from Michigan after a 6-hour nonstop flight. This is part of the U.S. aid to fight drug trafficking. The A-37 is a small twin turbine jet used for surveillance and attack. Five helicopters and bulletproof vests for the judge protection program will be sent 5 September.

These jets were sent in addition to the 18 A-37 planes already in the country. The planes brought enough spare parts to repair nine other planes, which are not in operation and parked at the air force terminal. The A-37 jets can reach speeds of up to 500 km per hour. They are easily maneuverable, and they can detect drug trafficking planes at low altitudes. These eight planes will strengthen the surveillance operations over the entire Colombian Atlantic coast.

[Begin recording of General Alfonso Amaya, Colombian Air Force commander] These planes arrived in excellent condition. The planes will be flown by Colombian pilots, and they will receive maintenance by Colombian crews. These planes will improve the combat capability of the Colombian Air Force. It is an act of solidarity by the U.S. Government, and I want to thank them sincerely. [end recording]

The A-37 planes will not only help authorities conduct an effective struggle against drug traffickers, but they will also allow the Air Force to dismantle guerrilla groups in this part of the country.

Bomb at Monteria Airport Harms U.S. C-123

PA0409023089 Paris AFP in Spanish 0154 GMT 4 Sep 89

[Text] Bogota, 3 Sep (AFP)—Official sources announced that a U.S. State Department Hercules C-123 cargo plane was partially destroyed early this morning when an incendiary bomb exploded at the Monteria Airport. Monteria is the capital of Cordoba Department and it is located 490 km north of Bogota.

A spokesman for the Monteria police advised AFP via telephone that the front part of the plane, as well as the cockpit, were burned when a bomb, planted by unidentified persons, exploded. No victims were reported.

The U.S. Embassy in Bogota confirmed that the plane was "seriously damaged" by the flames; however, the embassy did not specify the origin of the fire. According to embassy spokesman Peter Samson, the plane is the property of the U.S. State Department's International Narcotics Matters (INM).

The plane, which was returning to the United States after fulfilling a mission in Peru, had been parked at the Monteria Airport for the past 2 weeks. The plane was forced to land in Monteria after one of its engines failed, the embassy spokesman added.

According to the Monteria Police, the fire broke out after an explosion was heard. The firemen intervened quickly to prevent the fire from spreading and completely destroying the plane.

The fire broke out at 0430 (0930 GMT), a few hours before two C-130 planes—U.S. military cargo planes—arrived at Bogota Air Force Base with military materiel sent to help fight the battle against drug trafficking launched by the Colombian authorities.

Drug Traffickers Blamed

PA0409195089 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 4 Sep 89

[Text] A C-123 Hercules plane has been dynamited in Monteria. According to the DAS [Administrative Department of Security], the airplane belongs to the Drug Enforcement Agency. The plane had been flying to Cali last week, but it had to land at the Los Garzones Airport, located 10 minutes from Monteria, after developing mechanical difficulties.

The C-123 Hercules plane was dynamited by drug trafficking gangs as it sat in a dark section of the Los

Garzones Airport of Monteria. Airport sources said the gray plane had been en route to Cali last week, but its crew had to leave it in Monteria because of its mechanical defects. The powerful dynamite charge was placed underneath the plane. The explosion destroyed a large part of the cabin, instrument panel, and controls. The explosion occurred during a heavy downpour. The authorities reported that there were no casualties.

The airplane was under special protection, but the guards were inside the airport when the explosion occurred. Only the airport personnel and civil aeronautics watchmen were at the terminal when the explosion occurred.

Ministry Announces Recall of Envoy to Panama

PA0409151489 Bogota Radio Cadena Nacional in Spanish 1440 GMT 4 Sep 89

[Text] Bogota—The Colombian Foreign Ministry has just issued the following communique:

The Foreign Relations Ministry reports that Colombian Ambassador to Panama, Jaime Hernandez Lopez, has been recalled indefinitely for consultations. This clarification is being made in view of contradictory press reports.

Bomb Explodes Near EL ESPECTADOR

PA0209131989 Bogota Radio Cadena Nacional in Spanish 1250 GMT 2 Sep 89

[Excerpts] There has been a terrorist attack against EL ESPECTADOR newspaper in western Bogota. Yolanda Gomez and J.J. Pinilla report.

[Pinilla] According to a report we received a few minutes ago from the fire station, a truck bomb exploded inside a gas station next to the EL ESPECTADOR newspaper installations, which is very close to the Bogota Customs Office. The blast caused great damage, and one or two buses were totally destroyed. It is estimated that the losses amount to several millions [currency not specified].

[Gomez] There is a large deployment of police, firemen, and ambulances here on 68th Avenue near the EL ESPECTADOR installations. According to the preliminary reports, it seems some people were injured inside the EL ESPECTADOR building because some windows were broken due to the blast.

[Announcer] That is correct Yolanda, we have learned there are at least three injured inside the EL ESPECTADOR installations due to the bomb explosion. As you reported, the police have confirmed a bomb exploded inside a vehicle parked at a gas station next to the EL ESPECTADOR newspaper installations. Please continue.

[Gomez] The bomb exploded at the gas station on 68th Avenue. The gas station is totally destroyed, nothing remains of the gas station, not even the gas station billboard. [passage omitted]

[Announcer] We have called Lucia de Ojeda at the Bogota Red Cross. This is Radio Cadena Nacional. Could you please tell us about the names and the condition of the injured taken to the Red Cross.

[Ojeda] Eight or nine people have arrived at the Red Cross—we do not have the exact number—including a woman. There is one dead person who has not been identified since he has no identification papers.

[Announcer] So one person has died.

[Ojeda] Among the injured here are Heriberto Lopez Gonzalez, 53; Jaime Orlando Suarez, 24; Noralba Beltran, 23; Gloria Carranza, 25; Leon Alvaro Vitorino, 32; Daniel Mantilla, 26; Maritza Martinez, 38; Gladys Paez; Pedro Ortiz; Abel Portillo; and Carmen Rosa Gutierrez.

[Announcer] You said there is one dead person. Had he died before he arrived at the Red Cross or did he die at the Red Cross.

[Ojeda] He is a young man, who has no identification papers.

[Announcer] Do you have any reports on the injured?

[Ojeda] They are badly injured. Some are slightly injured but there are others badly injured.

[Announcer] Thank you Mrs Ojeda.

Newspaper Facitilies Damaged

PA0209150289 Bogota Radio Cadena Nacional in Spanish 1331 GMT 2 Sep 89

[Interview with EL ESPECTADOR reporter Harold Leiter by unidentified radio station announcer—live]

[Excerpts] [Announcer] Good morning, Harold.

[Leiter] Good morning, well not so good after all.

[Announcer] Well, obviously that is a painful formalism. Being more calm now and after having seeing what happened to the newspaper facilities after the bomb attack, what can you tell us about the damage inflicted upon the newspaper EL ESPECTADOR?

[Leiter] The scene here is simply devastating. The advertising offices and the editorial office are practically destroyed. The offices of the magazines EL DOMINICAL and [name indistinct], which are located on the side of our building closer to the gas station where the bomb went off, are completely destroyed.

To tell you the truth, the scene here is a very sad one. Some of our colleagues are very sad because of this attack. The situation is very sad here.

[Announcer] Harold, was any newspaper employee injured in the attack?

[Leiter] Apparently, one of our drivers, whose name is Freddy Cortez, is badly injured. I do not have any other information on this. That is what I was told.

[Announcer] What can you tell us about the newspaper equipment, the computers, your modern rotary press?

[Leiter] I believe all that is OK.

[Announcer] That equipment is undamaged?

[Leiter] Yes, those machines are undamaged.

[Announcer] In other words, most of the damage was inflicted upon—how do you call that—the furnishings, in other words, desks, typewriters, and office partitions?

[Leiter] Absolutely all windows were shattered here. [passage omitted]

[Announcer] Will there be any problems with the printing of tomorrow's issuance of EL ESPECTADOR?

[Letier] Well, it all depends on the WANG system. The system is down right now. [passage omitted]

[Announcer] There were reports that there is some damage on the building's walls, on the outside walls of the building.

[Leiter] I just saw a big open crater on one of the walls located on the side of the building closer to the site of the explosion. I just saw the crater now. [passage omitted]

1 Dead, 86 Injured

PA0209200589

[Editorial Report] Bogota Inravision Television Cadena 2 in Spanish at 1800 GMT on 2 September broadcasts a series of reports, totaling about 10 minutes, on the 2 September bomb attack carried out against the facilities of the Bogota newspaper EL ESPECTADOR.

The first report begins by saying that the facilities of the newspaper EL ESPECTADOR were the "target of a brutal terrorist attack in which many innocent people were injured." The report adds that "today a truck bomb carrying almost 200 kg of dynamite went off at a large gas station located next to the facilities of the newspaper EL ESPECTADOR. The attack is one of the most serious terrorist attacks conducted in Bogota in the last few months."

The next report says that "today's explosion caused a true hospital emergency in Bogota. One person was killed and 86 others injured, including 6 who were seriously injured as a result of the attack."

The report states that "the newspaper EL ESPECTADOR was virtually paralyzed today, although its directors said that it will circulate tomorrow no matter what. Hernando Santos, chief editor of the Colombian newspaper EL TIEMPO, even offered workshops and rotary presses to assemble and print EL ESPECTADOR if that were necessary."

The report continues that "losses of over 200 million pesos occurred as a result of the explosion in western Bogota this morning. The newspaper EL ESPECTADOR facilities were left as if they had been bombed." The report adds that most of the interior was "visibly" destroyed and that there are cracks in the outer and inner walls of the building.

The report includes recorded statements by EL ESPECTADOR General Manager Alfonso Cano who states that "El ESPECTADOR has followed a specific line for the last 102 years. That line will not change because we were the targets of a bomb attack or because its reporters are killed. We will circulate tomorrow even if we print a 2-page newspaper."

Finally, the report concludes by saying that "in a few minutes the newspaper EL ESPECTADOR directors will issue a communique on the attack in which they will express their rejection of these terrorist attacks."

Extraditables Responsible

PA0209190189 Bogota Inravision Television Cadena 2 in Spanish 1821 GMT 2 Sep 89

["Last minute report" by Berta Lucia Cevallos]

[Text] The so-called Extraditables have claimed responsibility for the attack on the newspaper EL ESPECTADOR facilities in Bogota this morning. EL ESPECTADOR President Luis Gabriel Cano said he received the phone call in which the group claimed responsibility for the attack.

Meanwhile, there is confirmation of an attack on a property owned by the Cano family in Islas del Rosario.

[Begin recording] [Cano] They [not further identified] burned a few vacation cabins at a small islet I own on Rosario Island.

[Unidentified reporter] Have you calculated the losses caused by the attack on Rosario Island?

[Cano] No, I do not have specific data yet, because I have been unable to communicate with the people there. Fortunately, the watchman on the property was unharmed. I was pleased to know that, because I was afraid for him. Property can be replaced, but human lives cannot. [end recording]

While the losses caused on EL ESPECTADOR were being estimated, various phone calls were received at the newspaper regarding the dynamite attack.

On 3 September a reduced version of EL ESPECTADOR newspaper will circulate. Approximately 250,000 copies of El ESPECTADOR will circulate.

[Begin Cano recording] We are making huge efforts to circulate tomorrow. Even if tomorrow's issue of our newspaper has only two or four pages, EL ESPECTADOR will circulate on 3 September and will continue to circulate. [end recording]

Police Chief Reviews Status of Extraditables

PA0209193489 Madrid EFE in Spanish 1801 GMT 2 Sep 89

[Text] Bogota, 2 Sep (EFE)—The narcotics trafficking "capos," those "extraditable" to the United States, "are in Colombia; they have not sought refuge abroad," National Police Chief General Miguel Gomez Padilla told the press today.

"I am sure that they are in Colombian territory. We have evidence to that effect," the general said, adding that the police "have an entire unit ready to be taken to any point of the country at a moment's notice" should any of the "capos" be found.

Some of the 12 "Extraditables"—Jorge Luis, Juan David, Fabio Ochoa, Pablo Escobar, Gonzalo Rodriguez Gacha, and Gilberto Rodriguez Orejuela—have been pointed out as being the kingpins of the Cali and Medellin narcotics trafficking groups. They are responsible for exporting 80 percent of the cocaine used in the United States.

Although he admitted that the police do not have "exact information," Gen Gomez Padilla pointed out that many of the documents seized in the last 2 weeks from the narcotics trafficking organizations—inventories, accounts, and property titles—"allow us to progress in our campaign against the narcotics trafficking networks."

The police chief added that "the police are carefully evaluating the documents seized. No political or public figure has been found to be involved with narcotics trafficking as a result of these papers," he said, but he admitted that bribery is one of the most important "elements of destabilization" that the multimillionaire cocaine mafias use.

Gen Gomez Padilla admitted that the police department has also been the victim of bribery cases. "Thank God there are only a few cases, just four or five," but these have been detected in time and those found have been punished.

He also said that "we have had some exemplary men who have given their lives for their professional work."

In the last 3 years, 1,300 policemen have been killed while working on cases related to narcotics trafficking, Gomez Padilla reported. He also admitted he himself has received death threats.

Miguel Gomez Padilla stressed before the foreign press that "Colombia is a sovereign nation that has a very qualified and professional Armed Forces," and that in order to fight narcotics terrorism "we do not need foreign forces."

With this remark, Gen Gomez again rejected the possibility that the United States might send troops to fight the narcotics trafficking groups in Colombian territory.

"The fact we need equipment and technological support is something else," the police chief said, adding that "we welcome any amount of money."

Gomez Padilla pointed out that "as never before, the Army, the secret agents, and the police are truly comitted to the struggle and have assigned 80,000 units to fight directly or indirectly against narcotics trafficking."

As of 18 August, when the government launched its most recent offensive against narcotics trafficking and adopted measures that included extraditon, the production and marketing of cocaine "has nearly stopped," Gomez Padilla said.

The general stated that the narcotics traffickers are seeking new marketing routes and new border areas to install the cocaine refining laboratories.

He added the Colombian topography—mountainous and with very dense jungles—conceals the narcotics traffickers and their installations, "but sooner or later we are going to find them; they cannot hide forever."

Rodriguez Gacha's 'Bunker' Found in Bogota

PA0209201289 Bogota Inravision Television Cadena 2 in Spanish 1819 GMT 2 Sep 89

[Report by Jose Luis Ramirez]

[Text] The bunker from where Gonzalo Rodriguez Gacha, alias El Mejicano, operated was uncovered today in Bogota. It was his financial center, and it is said that his monthly payroll amounted to over 80 million pesos. This is the building in downtown Bogota from where narcotics traffickers managed 34 of their various companies under different names as well as the Millonarios Sports Club.

The monthly payroll of the staff working in this financial center amounted to 80 million pesos. The financial center managed 34 companies through the Limited Business Coordinating Board [Coordinadora Empresarial Limitada]. According to the authorities, this center also laundered narcotics trafficking money.

The list of the Millonarios soccer team, the amount paid to contract each player, and the economic status of the latest quarter final games were also found on the seventh floor of the well-known building. A complete list of telephone numbers and addresses of the technical directors as well as of the team's coaches and officials was also found.

On that floor, there were 22 offices operating with computers, microcomputers, and microfiche. Also stored here was the information of companies such as Inmobiliaria de Muebles y Vehiculos, Inmobiliaria Andina, Circuito Radial 2000, Comercializadora Magdalena, among others. All the companies had their own headquarters in Medellin, Cali, Manizales, Dorada, Cucuta, Ibague, Pacho, Cundinamaca, and Bucaramanga.

Each one of these enterprises had its own structure and its legal registration with the Chamber of Commerce. A total of 34 enterprises were under the Limited Business Coordinating Board. The empire has its own boards of directors, financial organization, accounting departments, files, and its own work regulations.

Letter From Drug Lords' Father Proposes Dialogue

PA0209025089 Bogota EL TIEMPO in Spanish 29 Aug 89 p 8-A

[Text of Fabio Ochoa Restrepo letter to President Virgilio Barco issued in Medellin on 26 August]

[Text] Medellin, 26 August 1989

Respected Mr President:

I respectfully address you with the sole intention of putting in my two cents' worth and cooperating, at least that is my intention, with my humble concepts to stop the bloodshed in our poor and beloved Colombia.

I am Fabio Ochoa Restrepo, of Salgar (Antioquia), 65 years old, identification 2.446.821 issued in Cali, and father of alleged Extraditables. The poor things, may God save them.

The country is lost—there is no denying it, and all the Colombians and the entire world are aware of this—due to drug trafficking, guerrillas, subversion, common crimes, violence, extortion, blackmail, kidnappings, intimidation, politicians, and the murder of peasants, innocent soldiers, important men—perpetrated by dishonest authorities who make a profit and are up to their old tricks because they have another "bonanza" through looting, theft, bribes, etc., etc. It could be rightfully said: Not all of them! There are still many, many honest, honorable, law-abiding officials in the government. However, what can be done to counter this wave of atrocities?

The situation can be peacefully overcome despite all this, provided everyone fulfills his duty.

No one in the world has ever won in a war—it only leaves orphans, widows, and mourning mothers.

Let us carry out a crusade, and let us start with drug trafficking, which is currently the worst problem. Let them stop once and for all—no more drug trafficking, no more war, no more assassinations, no more bombs, no more fires, etc.

Let them issue friendly invitations to all the other groups to stop this once and for all. Let us all be indefatigable guardians, let everything be all right, let everything be strictly abided by, let Colombia become a country free of drug trafficking—this would be enough for us to be happy and feel at peace.

Subversion has gone very far in Colombia with its innumerable assassinations; the Justice Palace holocaust; the blowing up of oil pipelines; the guerrilla groups' takeovers and attacks on towns; the kidnappings of policemen, soldiers, cattlemen, industrialists, and great politicians; the seizure and destruction of hardworking men's farms and cattle ranches. The subversion is now participating in a dialogue with you. Let us not go back through this long and painful road due to a war. Let us sit down to dialogue; let us act as free and independent Colombians.

I admire Dr Juan Gomez Martinez, a great and courageous man who dared say that everyone should participate in a dialogue. Many persons within the Colombian Government think alike, but they do not dare say it, even though they know this is the only solution, the only way out. The drug traffickers or extraditables—meaning more than half of Colombia—crazily talk about fighting and say they prefer a tomb in Colombia to a life sentence in a U.S. cell, a living death like many Colombians who are there, and I agree with them. Dr Barco, let there be a dialogue; let there be peace; let there be forgiveness; let us try to begin with a clean slate. Let us not be arrogant, let us not be stubborn, let us forgive as Jesus Christ and our parents taught us. Let us be human as they also are; they made mistakes, but they have a mother, a father, children, brothers, relatives, and friends. They have hearts, too. We are all brothers.

Let us turn Colombia into a paradise; let us enjoy it, take care of it, as when we were children.

I have been the first "scapegoat" on a world level, not you, thank God.

A copy of this letter to the directors of EL COLOMBIANO, EL MUNDO, EL TIEMPO, LA PATRIA, EL OCCIDENTE, and many personalities in the country and around the world.
[Signed] Respectfully yours,
Fabio Ochoa Restrepo

Property Seized From Drug Lords Looted

PA0509042689 Paris AFP in Spanish 0054 GMT 4 Sep 89

[Text] Medellin, Colombia, 3 Sep (AFP)—Most of the properties owned by the drug traffickers in this city in northeastern Colombia, properties occupied by the

Army 2 weeks ago and currently in the hands of the National Drug Council, have been looted.

This was confirmed by the [word indistinct] properties of the drug lords.

These properties were confiscated as part of the offensive launched by the government of Liberal President Virgilio Barco against the drug lords following the implementation of strict measures aimed at hurting them economically.

"El Bizcocho" farm, owned by Pablo Escobar, and Jorge Luis Ochoa's residence, known as "El Hormiguero," located in an exclusive sector of town, have been practically cleaned out.

Colombian soldiers seized the houses 15 days ago but after the time specified by law, they were handed over to the National Drug Council by a judge.

According to the norms established by the government, the National Drug Council will take over the properties if the owners cannot prove that they obtained them legally.

A spokesman for the 4th Brigade said that when the Army handed over the houses to the civilian authorities, the process included drawing up an inventory listing each and every objected found in the house.

Therefore, the Army was very surprised today when it discovered that most of the objects of value had disappeared.

It was learned that when the houses were confiscated the soldiers found paintings by renowned artists, valuable sculptures, crystal, silverware, and electrical appliances.

Today, only traces of the wealth is left. The looting is evident.

According to the Army, whose soldiers no longer occupy the confiscated properties and which are now being taken care of by the butlers, the owners themselves could have ordered the looting.

It seems that the persons guarding the property allowed the removal of the objects of value. Several seals used to seal the doors show signs of tampering.

The civilian authorities will now have to investigate to determine who carried out the looting.

Three Killed in Attack on Antioquia Airport

PA0409133689 Bogota Radio Cadena Nacional in Spanish 1236 GMT 4 Sep 89

[Text] This station has learned that three persons have been killed at the Jose Maria Cordoba International Airport, in the town of Rio Negro, Antioquia Department. One of the persons killed was wearing a military uniform, but we still do not know if he was in disguise or if he belonged to the security corps. According to preliminary reports from the Antioquia police, this was an attack on the installations of the Jose Maria Cordoba Airport. I repeat: This is a preliminary report by the Antioquia police. Right now, top officials and Antioquia police chiefs are on their way to the airport. The airport has been sealed off, and people are trapped inside offices there. No one is allowed near the scene of the violent shooting that took place there just a few minutes ago.

A search is under way throughout Rio Negro's San Nicolas Valley, where the airport is located, for the perpetrators of this attack, who are now believed to be driving two yellow Renaults and are being pursued by the police. I repeat: So far, we know that three persons have been killed inside the airport. One of those killed was wearing a military uniform. The Antioquia police have reported that this was an attack on the airport installations.

We still have not been able to learn if the attack was targeted against anyone in particular.

Further on Shooting

PA0409192889 Bogota Inravision Television Cadena 1 in Spanish 1755 GMT 4 Sep 89

[Text] Two people were killed and 12 were wounded today, including 3 members of the Antioquia police, in an attack at the Jose Maria Cordoba Airport in Rionegro.

Several men traveling in two vehicles arrived at the airport's main entrance at 0715 during the usual morning rush hour. One of them, wearing Colombian Army fatigues, got out of a red Renault and indiscriminately opened fire on the people who were undergoing routine searches at the airport entrance. One person was killed, and 12 were wounded. The airport security police then killed the attacker. There was general chaos at the airport, a situation that could have caused a greater tragedy. The motives and the identities of those responsible for the new violence are so far unknown.

In a last minute report, we have learned that an explosive device was also defused in the Jose Maria Cordoba Aiport in Rionegro.

Avianca: No Bomb on Plane

PA0409233189 Hamburg DPA in Spanish 2208 GMT 4 Sep 89

[Text] Bogota, 4 Sep (DPA)—Officials from Colombia's Avianca airline denied reports today that a bomb had been found and defused inside one of its airplanes in the city of Medellin. This report is related to the "war" that the drug-trafficking mafia has declared on the country, a war that has been intensified in recent hours.

According to the report, police anti-explosive experts defused a powerful charge of dynamite found in an

Avianca 727 plane that arrived in Medellin from Pereira with 180 passengers aboard.

The report, broadcast by a television news program after having been confirmed by a Civil Aeronautics official, stated that the bomb was found by the plane's crew members after they detected a heavy smell of powder shortly after landing.

This situation, which has been blamed on the "nervousness" the country is experiencing, took place only a few hours after a man dressed in a camouflage military uniform killed 1 person and wounded 13 others with a machinegun at Medellin's Jose Maria Cordoba International Airport.

The killer, whose possible ties with drug-trafficking organizations are being investigated by the authorities, fired indiscriminately on people waiting in line for their tickets to Bogota, according to witnesses.

Mayor Curtails Medellin Curfew Hours

PA0409160589 Bogota Radio Cadena Nacional in Spanish 1530 GMT 4 Sep 89

[Text] After considering the drop in the crime rate in Medellin over the past 5 days, during which the curfew has been in force, Medellin Mayor Juan Gomez Martinez has decided to reduce the curfew hours. Beginning tonight, the curfew will be from 2300 to 0500.

The Medellin mayor has also issued another decree that requires vehicles traveling in Medellin after 1800 to turn on their interior lights.

3 Sep Bank Explosion in Medellin Injures 5

PA0409142689 Bogota Radio Cadena Nacional in Spanish 1200 GMT 4 Sep 89

[Text] Medellin—An bombing attack attack on 3 September occurred at a branch of Banco Popular, at the intersection of 49th Avenue and 50th Street, Itagui Municipality, to the south of Aburra Valley. Five individuals were injured, and severe structural damage occurred.

The injured were 19-year-old Robinson Ramirez, 30-year-old Roberto Arcesio Pabon, and 40-year-old Hugo Morales, and two other unidentified individuals who were treated at Itagui's San Rafael Hospital and other hospitals in Antioquia Department's capital.

An official report states that the blast completely destroyed the bank facilities and caused severe damage to nearby businesses and several area residences.

It is worth noting that this new attack was carried out a few minutes before the 5th day of a curfew, which was ordered on 30 August by the municipal government. In ordering a curfew, the municipal government followed the example of Medellin Mayor Juan Gomez Martinez.

Police Post Attacked 5 Sep

PA0509024189 Paris AFP in Spanish 0151 GMT 5 Sep 89

[Text] Medellin, Colombia, 4 Sep (AFP)—A new terrorist action shook Medellin in northwestern Colombia this evening when two men riding on a motorcycle threw an explosive device at a police post located in the exclusive suburb of El Poblado. Miraculously, the three policemen and two civilians who were inside escaped injury.

The post, known as an Immediate Attention Center (CAI), which plays the role of a police control post, was destroyed by the explosion of the device.

Three policemen and two civilians were inside the post, which was not fully operational because it had not been completely built, but managed to escape.

One of the policemen told AFP that they saw two men on a motorcycle swiftly passing by the CAI and then throwing a red plastic bag.

The three policemen and the two civilians managed to run a few meters down the street before the device exploded.

Although the device's power has yet to be established by experts, the detonation was strong enough to destroy the structure, measuring approximately 11 square meters.

One month ago the same CAI had been destroyed when its walls were being constructed.

A woman who passed through the area at the time of the attack was not injured either, even though her vehicle sustained considerable damage, particularly the windows, which were destroyed.

The new terrorist action occurred 12 hours after a man was involved in a spectacular shoot-out at the Jose Maria Cordoba Airport in Medellin, where the gunman and a young man died and 10 persons were wounded, including three policemen.

The CAI's destruction occurred 4 hours after the beginning of the curfew, imposed by Mayor Juan Gomez Martinez 6 days ago in an attempt to curtail the terrorist actions which have shaken the city, birthplace of the Medellin drug cartel.

Explosions at Banks 5 Sep

PA0509050189 Paris AFP in Spanish 0414 GMT 5 Sep 89

[Text] Medellin, Colombia, 4 Sep (AFP)—Two persons were injured in dynamite attacks perpetrated this evening against two bank branches in this northwestern Colombian city.

The first police reports indicate that a bomb exploded in front of the state-owned Agrarian Board in the suburbs of Manrique, and another at the Agrarian Board branch in the sector of Aranjuez.

One person was seriously wounded in each of the terrorist attacks, but no deaths were reported.

The device which exploded in Manrique destroyed the bank building and a bus that was parked in front of the building, and caused considerable damage in several stores nearby.

The explosion in the other branch was of a lesser magnitude, and it broke windows and caused damage inside the offices.

The scant police information said that the devices were apparently left in front of the two bank branches minutes before the curfew began for the 6th consecutive day—to counter the wave of terrorism caused by drug traffickers.

These represent the second and third dynamite attacks in Medellin this evening. The previous one took place 2 hours earlier and blew up a police post, but failed to injure its five occupants.

New Medellin Police Chief Appointed 3 Sep

PA0509131089 Bogota Inravision Television Cadena 2 in Spanish 0000 GMT 4 Sep 89

[Summary] The appointment of Colonel Humberto Camero Maldonado as the new chief of Medellin's Metropolitan Police was announced on 3 September. Camero Maldonado will be promoted to brigadier general in December. He replaces Colonel Antonio Sanchez Vargas who held the post for 22 months and well fulfilled his mission. Sanchez was transferred to Bogota where he will be the new police inspector.

Army Clashes With FARC; 10 Rebels Killed

PA0409155489 Bogota Radio Cadena Nacional in Spanish 1200 GMT 4 Sep 89

[Text] La Popa Battalion and national police troops increased their operatives at Serrania de Barija, Becerril municipality. The troops clashed with FARC [Revolutionary Armed Forces of Colombia] 41st Front [word indistinct] rebels during the past weekend; 10 rebels were killed and 2 rebels—identified as Angel and Juan—were captured. A sophisticated rebel training camp, capable of housing 180 men, was also dismantled during the military operative and the following was confiscated: 150 bales of pressed marijuana, several weapons of different calibers, war materiel, supplies, uniforms, and a helicopter used by the guerrillas.

1 Arrested for Antioquia Police Chief's Murder

PA0509025489 Bogota Inravision Television Cadena 1 in Spanish 0019 GMT 5 Sep 89

[Text] A police lieutenant, who had been dismissed from the institution because of poor conduct in 1984, was arrested by the Medellin authorities as a suspect for having participated in the assassination of Colonel Valdemar Franklin Quintero, Antioquia police chief.

German Gonzalez Ramirez is currently under arrest at the Medellin police station.

Composite sketches are becoming very useful tools for the authorities in the capturing of suspects involved in the wave of drug-related terrorism that is adversely affecting the country.

The authorities have the records containing all the details of the assassination of Colonel Valdemar Franklin, who was the Antioquia police chief. Authorities have the composite sketches of two suspects between 24 and 27 years of age. One has dark skin and straight, black hair and is 1.65 [meters] tall. The other is thin, has curly hair, and is 1.80 [meters] tall. The man arrested today fits the last description.

ELN Kidnaps Energy, Mines Ministry Official

PA0309031889 Bogota Emisoras Caracol Network in Spanish 1215 GMT 30 Aug 89

[Text] Bogota—Despite announcements to suspend attacks on the country's oil infrastructure and personnel, ELN [Army of National Liberation] guerrillas kidnapped a top Energy and Mines Ministry official on 29 August. The subversive group, Conservative Senator Alvaro Leiva Duran had previously announced, was to suspend all its actions against the country's petroleum interests to pave the way for holding a national petroleum forum beginning on 25 August. However, police confirmed that Gustavo Adolfo Ramirez, executive secretary of the Popular Domestic Energy Commission, was kidnapped as he was leaving the Energy and Mines Ministry yesterday. The ELN was to allegedly send a new communique to the government through him.

According to leaflets left in Ramirez' vehicle, the kidnapping was carried out by the German Velasco Villamizar Command of the ELN's Camilist Union. So far, the authorities have no clues as to the whereabouts of Ramirez or his kidnappers.

FARC Ideologist Sentenced to 40 Months in Jail

PA0209125789 Paris AFP in Spanish 1540 GMT 30 Aug 89

[Text] Bogota, 30 Aug (AFP)—A judge in the eastern city of Bucaramanga has sentenced Jacobo Arenas, 67, ideologist of the Revolutionary Armed Forces of Colombia (FARC), to 40 months in prison for illegal possesion of weapons and then issued a warrant for his arrest.

Arenas is FARC's second in command; the rebel organization is headed by Manuel Marulanda Velez, alias Sure Shot. However, FARC declared a unilateral cease-fire at the beginning of the year.

Arenas is presently in a FARC camp in the Casa Verde zone. This area is located in the eastern Andean mountains of southeastern Meta Province, approximately 25 km from Bogota.

The judge who sentenced the communist guerrilla to jail said that Arenas was also being sentenced for gun running.

MORENA Calls for 'War Against Communism'

PA0209013489 Bogota EL SIGLO in Spanish 11 Aug 89 p 1

[Text] An all-out war against communism and the immediate start of a political campaign in Colombia was called for yesterday in a news conference by the representatives of the National Renewal Movement, MORENA, which at the onset had been portrayed as the ideological arm of the self-defense groups that operate in the Middle Magdalena Region.

Armando Valenzuela and Fernando Vargas, who answered questions as official MORENA spokesmen, denied any links with armed organizations of that or any other region and stated that their main goals are peace in the country and the defeat of communism.

MORENA blames communism for the serious wave of violence that Colombia is experiencing.

At the same time, MORENA announced that it will go ahead with its electoral intentions.

If MORENA is able to gather more than 300,000 followers, it will go to the elections with its own candidate. If it cannot, it will decide to back the presidential hopeful that in its opinion will best fulfill Colombia's needs.

Regarding funding for the movement, the MORENA spokesmen said that their funds do not come from drug trafficking or other obscure sources, but from its own limited resources, bonds, raffles, and donations from MORENA supporters in different regions.

Likewise, the spokesmen stated that they are not afraid of possible legal inconveniences that could hinder their entrance into the political arena and added that the members of MORENA do not have criminal records.

Although their criticisms were aimed for the most part at the Communist Party, some were aimed at the government. The MORENA members harshly criticized President Virgilio Barco's handling of the search for peace in the country.

Liberal Cesar Gaviria Trujillo Interviewed

PA0309014989 Bogota EL TIEMPO in Spanish 27 Aug 89 pp 1, 6A

[Interview with Cesar Gaviria Trujillo, Liberal Party presidential candidate, by EL TIEMPO staff reporters Dario Restrepo Velez and Sergio Ocampo Madrid, in Bogota—date not given]

[Text] [EL TIEMPO] What changes will be made to Luis Carlos Galan's political project under these new circumstances?

[Gaviria] None. This is not just my decision, but the decision of all of us who are committed to furthering that ideal. That is why it is not valid to speak of changes, it is better to speak of development and the project's evolution. Of course, there are certain areas where I have experience, which allows me to contribute to and enrich the Galan project, not reform it.

[EL TIEMPO] By adopting Galan's programs, does this create problems for your own ideas and your political image?

[Gaviria] I have attained perfect symbiosis with Galan's ideas. Right now I fully identify with his proposals. I believe his ideas deserve to be put into practice in this country.

[EL TIEMPO] You have accepted the program Galan had worked on for several years. What did you contribute during that time?

[Gaviria] My main contribution to the movement was to unify a series of trends that had become part of us along the way, shaping them into a coherent organization with a uniform outlook. It is important to have arrived at that goal with Galan's original ideas. The best proof of this integration is the speed of Wednesday's decision, which was reached with unanimity. The way we faced the leader's death is another good example.

[EL TIEMPO] There is fear among members of the original New Liberalism about the ideological changes that could take place under your leadership.

[Gaviria] The New Liberalism should not fear, because the basics are not going to change—morality, honesty, and straightforwardness. It is only natural that there should be differing opinions as to how things are going to be handled from now on. Over the next few weeks we will need to study how are we going to put Galan's proposals to work.

[EL TIEMPO] Will anything change?

[Gaviria] There are no absolute truths in politics. We must allow some time because we are just barely starting. There is a limiting factor following Galan's death; it is going to be very difficult to replace him, because over a span of 10 years he travelled the entire country and learned about situations first hand. Undoubtedly there will be difficulties in reaching every corner with those same proposals.

[EL TIEMPO] Galan's political team has completely crossed over to your side. Will the voters do likewise?

[Gaviria] Everything depends on our credibility and if we have the capacity to prove that we are faithful to Galan's ideals. For the time being, we have the organization.

[EL TIEMPO] What are your similarities with Galan?

[Gaviria] Let us be clear from the start that I am not Galan's replacement. I was the person chosen to defend his ideas. Luis Carlos' image of clarity, his figure, are irreplaceable. It is wrong to think that I am like him. I do have, I believe, the capacity to defend his ideas and good handling of authority and a clear conscience. I also have a clean life, which is what Galan demanded to change political habits.

[EL TIEMPO] The country had considered you as a future option. Do you believe people could consider you to lack maturity because you have reached your aspirations ahead of time?

[Gaviria] Maturity should not be measured by age, instead it should be based on experience. No one doubts my experience. These days it is perfectly normal, and it frequently happens, that someone my age becomes president.

[EL TIEMPO] When did you have in mind "to disclose" your presidential aspirations?

[Gaviria] I have never liked planning my aspirations independent of circumstances. When I resigned as Interior Minister in February, I recognized that my presidential aspirations in no way helped the liberal process. Now, however, as destiny would have it, I did not have the opportunity to decide, instead I had to accept an obligation.

[EL TIEMPO] Do you still believe dialogue is the means to attain peace?

[Gaviria] I have always believed that we should consider a political solution, but without giving in to terrorism. There can be no leniency for those who have separated themselves from the law. When rebellion descends into terrorism, we have to punish and stifle that rebellion.

It is my opinon that society is already giving the rebels a concession by offering to hold dialogue with them. I do not favor the guerrillas being given too much importance or that political reforms be negotiated with them, as this makes people lose their trust in legal institutions.

The guerrillas' defeat depends on the amount of legitimacy our institutions have. Liberalism has to take the initiative in making reforms and defending institutions' legitimacy. Liberalism cannot lose its leadership. Thus, I do believe in dialogue except under clearly estabished conditions.

[EL TIEMPO] Then, you share Duran Dussan's [Hernando Duran Dussan, another Liberal Party presidential candidate] firm hand democracy proposal?

[Gaviria] That is a "slogan" that requires an explanation and a development plan that has still not been disclosed. It seems to me that to talk about a firm hand democracy in the midst of such a complex national situation is a simplistic proposal that may be attractive, but does not solve a thing. You do not solve the crisis merely by exerting authority.

[EL TIEMPO] Then, how do you solve the crisis?

[Gaviria] By modernizing our institutions. It is not enough for the president to issue strict orders. Our institutions have to recuperate their legitimacy to regain the people's respect so that orders are accepted. Our institutions have to reach a point of modernization that will allow our society's minorities and weaker sectors to feel that they have their rights and that they are respected.

It is not enough to ask judges to speed sentencing; the judicial system requires in-depth modernization. It is not enough to tell the Army to be firmer; the Armed Forces need to have the country's solidarity.

[EL TIEMPO] Can political solutions and dialogue also be applied to the drug traffickers?

[Gaviria] No. These alternatives are to be used in the case of illegal actions for political reasons and should not be used in criminal cases. Dialogue with the drug traffickers would totally unbalance the operation of justice. It is not a matter of creating a reconciliation process and, based on it, believe that any criminal action is subject to discussion. The drug traffickers have to be subject to the law. Under no circumstances can we offer them a political dialogue.

[EL TIEMPO] Do President Barco's measures meet these needs?

[Gaviria] The only way out of the present crisis is to support the government measures. However, I believe other measures are needed. These measures cannot be dependent on legal interpretations that can turn them back at any moment, as this would make them transitory and precarious.

We have to adopt permanent measures of an institutional and economic nature that will, if needed, go even against some public rights and liberties.

[EL TIEMPO] Why reach such a point?

[Gaviria] Because we are dealing with our society's survival. It makes no sense to protect those who want to destroy society. They do not only want to go against the law, they want to destroy society.

[EL TIEMPO] What rights and liberties would be taken from the drug traffickers?

[Gaviria] The first would be property ownership; this measure has already been adopted. Mostly, it would be the illegal accumulation of wealth based on the rights given to them by democracy. Also, the right to meet, freely mobilize, and use flying facilities. If needed, these and other rights have to be restricted.

[EL TIEMPO] But we could fall into injustices.

[Gaviria] Any restriction of civil rights allows for unjust actions. However, we have to take the risk because it means the survival of our society.

[EL TIEMPO] Do you believe the government sees the issue as clearly as you do?

[Gaviria] It should. Furthermore, all Colombians should have the same position or take this position. This struggle is not won by waiting for the government to adopt the right measures. It requires the support of all citizens.

[EL TIEMPO] How is this support to be given?

[Gaviria] Basically by cooperating with authorities and giving them information that will enable the measures to be strictly implemented.

[EL TIEMPO] Will the political sector be able to confront the present situation?

[Gaviria] I believe so. I do not see any reason to doubt their capacity to confront it. Things changed on Friday [25 August, when Candidate Luis Carlos Galan was assassinated]. No one in congress will deny government the tools to confront drug trafficking now.

[EL TIEMPO] To what do you attribute the brutality used by drug traffickers to declare war?

[Gaviria] Although the government had not taken the measures that were needed and what were taken were not enforced with sufficient strength, the government had dealt harsh blows to the drug traffickers. This is the reason for the drug traffickers' violent response; it was a desperate action to counter the government's effective acts.

[EL TIEMPO] How do you believe they are going to respond to the government's actions now?

[Gaviria] Now, they are going to increase the war with all manner of violence to defend their criminal interests.

[EL TIEMPO] What are we to do?

[Gaviria] It is our duty to confront them.

[EL TIEMPO] So, the only solution left is war?

[Gaviria] No. We have to implement the law. They talk about war, but we talk about the existence of the law and the Constitution.

[EL TIEMPO] How do you feel about the risks you will have to face from now on? Is Cesar Gaviria afraid?

[Gaviria] Logically, I feel some fear. However, my commitment to Galan's ideals surpasses this fear. My will to advance is stronger than any fear. It is important to show that we are willing to run risks because we have faith in democracy and in the country.

Ecuador

Borja Calls for Noriega To Step Down in Panama

PA0209220189 Madrid EFE in Spanish 2116 GMT 2 Sep 89

[Text] Quito, 2 Sep (EFE)—Ecuadoran President Rodrigo Borja today called for General Manuel Antonio Noriega to step down as commander in chief of the Panama Defense Forces [FDP] and for the United States to abstain from intervening in Panama and to absolutely respect the Torrijos-Carter canal treaties.

Minutes before leaving for Belgrade to attend the summit of the Movement of Nonaligned Countries, Borja reiterated that Ecuador's position with regard to Panama and the new government headed by Francisco Rodriguez is based on "no U.S. intervention, Gen Noriega's departure, and respect for the the Torrijos-Carter treaties."

According to these treaties, which were signed in 1977 by then U.S. President Jimmy Carter and Panamanian head of government General Omar Torrijos, the Panama Canal will be turned over to Panama in the year 2000.

After deploring the developments in Panama, Borja said that "the Panamanian problem is reaching a stage that is truly dramatic and worrisome to Latin America." He added that "Gen Noriega's intransigence has prevented the objectives sought by the Organization of American States (OAS) from being achieved."

"There is definitely a de facto government in Panama and Gen Noriega has become an obstacle to the democratization process," he stressed.

"This is regrettable. We have made every possible effort and have even acted with great prudence," the Ecuadoran president concluded.

Borja praised the work of his foreign minister, Diego Cordovez, who was a member of the OAS mission that was sent to Panama to work out a solution to the crisis in Panama, where the elections held in May were annulled.

The Ecuadoran president said that Cordovez "has played a key role in the search for a peaceful solution by consensus in Panama, unfortunately this could not be achieved, and I am deeply worried about developments in that beautiful country."

Departs for Belgrade

PA0309153589 Quito Voz de los Andes in Spanish 1230 GMT 3 Sep 89

[Text] President Rodrigo Borja was seen off at noon yesterday with a 21-gun salute at a ceremony at the Mariscal Sucre Air Base. The president will be in Europe for 15 days. Borja signed the decree appointing Vice President Luis Parodi as acting president and spoke briefly to the press.

President Borja said his trip is part of the government's international diplomatic offensive. The president will speak at tomorrow's inaugural ceremony of the ninth summit of the nonaligned countries movement in Belgrade, Yugoslavia. According to Borja, the objective of the diplomatic offensive is to make Ecuador's independent and sovereign voice heard in international forums. Borga said that he is drafting a speech that will embody the common aspirations, interests, positions, and opinions of the various Latin American countries which form part of the Nonaligned Movement. He added: This is the second time that brother countries have bestowed on me the great honor of being the spokesman of the thoughts and aspirations of Latin America in international forums.

During the official visit he will pay to Spain, Borja will propose that Spain provide financial and technical cooperation to Ecuador.

Trade Surplus Drops During 1st Half of Year

PA0209011589 Hamburg DPA in Spanish 1713 GMT 19 Aug 89

[Text] Quito, 19 Aug (DPA)—Ecuador's trade surplus dropped sharply during the first half of 1989 compared to the same period of 1988, reflecting a drop in exports and an increase in imports as a result of market liberalization policies.

Between 1 January and 30 June 1989, the Ecuadoran trade surplus amounted to $318.1 million, as opposed to $475.7 million during the same period last year.

During this period exports have dropped from $1.2247 billion to $1.1659 billion, while imports went up from $749 million to $847.8 million.

The reduction of exports was due mainly to the drop of over $40 million in shrimp exports and of nearly $10 million in cocoa bean sales, along with the fact that revenues from oil, the main Ecuadoran export, increased only by $8.1 million. The hike in the international price of oil was neutralized by a reduction of nearly 5 million barrels in sales as established by the OPEC's new production quotas.

Paraguay

Duties of Honorary Consul in Panama Terminated

PY0409175689 Asuncion RPC Television Network in Spanish 1600 GMT 4 Sep 89

[Text] Paraguay will implicity not recognize the new Panamanian Government by terminating the duties of its honorary consul in that country. Foreign Minister Luis Maria Argana made this statement today. He explained that this does not imply a severance of relations with Panamanian Government, but since there is no ambassador in Panama, the consul's authority is withdrawn.

Enrique Bogado Gondra, a member of the Authentic Radical Liberal Party, will be the new Paraguayan ambassador in Venezuela, according to Minister Argana. He added that no other new ambassadors have been appointed.

Asked about the extradition of former interior minister Sabino Augusto Montanaro, which has been refused by the Honduran Supreme Court, Argana said that the Paraguayan Government will study the situation but for the time being it has not yet decided to take away Federico Regunega's [Honduran consul in Paraguay] consular status.

Rodriguez Sends Condolence Message to Barco

PY0409222089 Asuncion EL DIARIO in Spanish 3 Sep 89 p 10

[Text] President Andres Rodriguez has sent a message of condolences to his Colombian counterpart, Virgilio Barco, over the brutal murder of Senator Luis Carlos Galan, a presidential candidate. Herewith is the text of the message: "In the name of the Government and people of Paraguay, I would like to convey to you, Mr President, our heartfelt condolences over the brutal murder of Senator Luis Carlos Galan, a presidential candidate, by criminals in the service of nefarious interests.

"This murder has provoked grief and indignation among the Paraguayan people. On this occasion we would like to reassert our condemnation of actions against those who devote their lives to fighting drug trafficking, a scourge that threatens all mankind.

"The government and people of Paraguay trust that these condemnable actions will cause us to strengthen our joint actions against the international drug trade, organized crime, and their accomplices and protectors."

Executive Branch Abolishes 'Public Order' Laws

PY0509002189 Asuncion ULTIMA HORA in Spanish 4 Sep 89 p 57

[Text] A new law from the executive branch has definitively abolished Law No 209 for the "Defense of Public

Order and Freedom of the People" and Law No 294 for the "Defense of Democracy."

The executive branch this morning enacted Law No 9 abolishing Law No 294 for the "Defense of Democracy," from 17 October 1955, and Law No 209 for the "Defense of Public Order and Freedom of the People," from 18 September 1970.

Law No 9 states that "the Congress of the Republic of Paraguay approves the following: Article 1. Law No 294 for the 'Defense of Democracy' from 17 October 1955 and Law No 209 for the 'Defense of Public Order and Freedom of the People' from 18 September 1970 are abolished.

"Article 2. Articles No 163, 274, 275, and 394 from the penal code, which was approved by Law No 78 of 18 June 1914, are hereby reestablished.

"Article 3. Inform the executive branch."

Law No . 9 was approved by the Senate on 6 July 1989 and more recently by the Chamber of Deputies.

Law No 9 was enacted on 24 August 1989 and is signed by Alberto Nogues, Miguel Angel Aquino, Evelio Fernandez Arevalos, and Ricardo Lugo Rodriguez for Congress and by General Andres Rodriguez, president of the Republic.

Central Bank President on Foreign Debt Talks

PY0109152689 Asuncion EL DIARIO in Spanish 1 Sep 89 p 13

[Text] Central Bank (BCP) President Crispiniano Sandoval has said that Paraguay is overdue on our foreign debt by $186 million. A commission comprising the BCP president and various ministers will travel to the United States in the next few days to negotiate new agreements with multilateral financial organizations.

The country's debt currently totals $2.024 billion. Our country will make various proposals to the experts before deciding how we can meet our payment schedule. The BCP president said that the Paraguayan team "will travel to the United States to study the conditions and payment mechanisms, not to renegotiate our debt. One topic to be considered will be supplementary assistance to reinforce our development."

Paraguay has loans from various financial organizations such as commercial banks, the Bank of Brazil, the Paris Club, and other multilateral organizations.

"We are undergoing a stage of economic reform. We want international organizations to know what the government is doing and achieving in the economic field. We want to explain our goals to them as well as the mechanisms we can use for our medium-term development. We also want to explain our needs and obtain support, mainly for the productive sectors," Sandoval said.

In addition to requesting loans to promote production, the commission will also seek cash support to purchase debt notes issued by countries to which we owe money. Paraguay then plans to exchange them for our own debt notes. "This issue is still under discussion, but we could talk with the financial organizations about the possibility of supplementary lines of credit to purchase such notes. We will see, because the ink is still fresh on this issue," Sandoval added.

The BCP president said that Paraguay will submit various proposals: "We do not have a particularly well-defined plan, but rather a series of alternatives on what we can do, how much we can pay, and the different economic conditions necessary to fulfill each proposal. It is an in-depth study to determine how we can implement our goals. We want to evaluate the feasibility of each of our proposals with their experts," Sandoval concluded.

Internal Revenue Office Director Sworn In

PY0409181689 Asuncion EL DIARIO in Spanish 3 Sep 89 p 8

[Summary] Finance Minister Enzo Debernardi yesterday administered the oath of office to Raul Florentin as acting director of the Internal Revenue Office, replacing Anibal Gonzalez Lopez, who resigned. Minister Debernardi explained that henceforth all new office directors at the Finance Ministry will be appointed as acting directors for a probationary period, during which the appointees evaluate their jobs and their performance is evaluated.

Peru

Communique Chides Noriega, Rodriguez Appointment

PY0209121889 Madrid EFE in Spanish 1001 GMT 2 Sep 89

[Text] Lima, 2 Sep (EFE)—The Peruvian Foreign Ministry has issued a communique stating that Peru has decided to withdraw its ambassador to Panama for an indefinite period due to the "intransigent attitude" of General Manuel Antonio Noriega, who has imposed a new president on the Republic of Panama.

According to the communique, the Peruvian Government has officially "deplored" the "antidemocratic" appointment of Francisco Rodriguez as the new president of Panama.

President Alan Garcia's administration has "deplored" this decision because it "violates the democratic principles and the free determination of the people, which are sacred values in Latin America."

Peru has therefore decided that Ambassador Mario Castro Arenas will "not return to Panama" and the relations with that country will remain at the charge d'affaires level.

The Peruvian Foreign Ministry recalled the ambassador on 23 August for consultations and "for service reasons" related to Panama's internal crisis.

Beltram Sherrit Vaccaro, Panama's ambassador in Lima, was summoned to the Peruvian Foreign Ministry to be informed of the Peruvian Government's "rejection" of the "intransigent attitude," of Gen Noriega, who is hindering "a democratic solution" to Panama's internal crisis.

President Alan Garcia recently expressed his "rejection of the de facto military regime" of Panama and his recognition of the victory of the Panamanian opposition in the 7 May elections that were annulled by the Panamanian Government.

The Peruvian Foreign Ministry communique also states that Peru is maintaining contacts with the member countries of the Group of Eight—from which Panama was excluded—to discuss "the delicate situation" in this Central American country.

Most of the Group of Eight member countries (Argentina, Brazil, Colombia, Mexico, Peru, Uruguay, and Venezuela) decided to recall their ambassadors to Panama for consultations a few days before the Panamanian State Council decided to choose Rodriguez to replace Manuel Solis.

"Peru will continue to follow closely and will always be willing to help in the fast and effective recovery of Panamanian democratic instituions," the communique adds.

President Alan Garcia and Gen Noriega experienced a "misunderstanding" last week when the Peruvian president suggested that the United States return the canal to Panama before 1999 in exchange for Noriega's leaving power.

"Unfortunately, the canal is serving an excuse for a dictator to remain in power," Garcia said of Noriega, who he also said "is deplored by the world and repudiated by most Panamanian voters."

In a brief letter published as a paid advertisement in Lima newspapers, Noriega ironically thanked Garcia for the proposal for the early return of the canal and "appointed" the Peruvian president as "the lawyer of the Panamanian cause."

Garcia: New Panamanian Government 'Unacceptable'

PA0209215089 Hamburg DPA in Spanish 2315 GMT 2 Sep 89

[Text] Caracas, 2 Sep (DPA)—Peruvian President Alan Garcia said at the Simon Bolivar International Airport in Caracas this afternoon that the new Panamanian Government, "handpicked by General Manuel Antonio Noriega, is unacceptable."

On his way to Belgrade, where he will attend a Nonaligned Movement meeting, Garcia made a stopover in Caracas, where he talked with Venezuelan President Carlos Andres Perez in private for 30 minutes.

Garcia said: "Noriega did not respect the results of the 7 May elections and now has designated a successor (Francisco Rodriguez Poveda). Latin America must assume a strong and positive position and not recognize this dictatorship."

Garcia said he welcomed Venezuela's admission in the Nonaligned Movement because this is a "fundamental" country in Latin America.

Noriega Moves 'Abusive Act'

PY0309031889 Lima Television Peruana in Spanish 0100 GMT 3 Sep 89

[Text] Answering a journalist's question at a news conference in his Government Palace office before departing for Belgrade to attend a Nonaligned countries conference, President Alan Garcia said:

[Begin Garcia recording] For more than a year Peru has been avid about its position as a democratic government. We respect governments elected by the people. A government that is not elected by the people, whether it is good or bad, has no legitimacy. This the principle we uphold. When norms are violated; when a president is handpicked; when as in the case of Panama on 7 May, the people are consulted and they make their will known with their ballots, yet the election is nullified and the people's decision is mocked, then as a democratic country of Latin America Peru must raise its voice. We do not recognize the existence of a government that has been handpicked by General Noriega. We consider this an act of political rudeness, an abusive act.

We are not responding like a choir to a request from the United States, but as Latin Americans, we have the duty to defend the Panamanian people from a military dictator. We believe this is a fundamental principle in the continent. We are part of Latin America, not a different country that must not say anything about what happens in another Latin American country. Panama is ours, just like we are of Panama, and we have the obligation and right to defend the Panamanian people.

We do not recognize the new Panamanian government. We have recalled our ambassador, and our diplomatic relations with Panama are reduced to the level of charge d'affairs. This does not mean that we have broken relations with the Latin American country of Panama, but we cannot recognize it at the ambassadorial level. We have interests in Panama, and we have to maintain Peruvian representation there. We are leaving a charge d'affairs in Panama. So we communicated yesterday with the Panamanian ambassador in Peru, and we expect the Panamanian people, the Panamanian opposition that won the elections on 7 May, to mobilize in a decisive manner thereby to force the dicatator Noriega to step down and not to let him appoint puppets that put Latin America in a bad light before the world. [end recording]

Government Acts To Protect Lima Energy Supply

PY0309040489 Lima Television Peruana in Spanish 0100 GMT 3 Sep 89

[Excerpts] Talking to the press before departing for Belgrade to attend the Nonaligned countries conference, President Alan Garcia said today:

[Begin Garcia recording] [passage omitted] Last night Lima had a blackout. The cause is not known. As far as I know, it was not caused by a terrorist act, because there was no interruption of the main transmission lines. But, I want to take this opportunity to say that we cannot assure you that for many years in the future there will be no cut in the lines that bring power to Lima from El Mantaro hydroelectrical plant. There are hundreds and thousands of kilometers of power towers and transmission lines that can be interrupted at any time by one or two terrorists, leaving sectors of Lima in the dark.

Nevertheless, we can take precautions, and so I want to say this: Through personal negotiations with Venezuelan President Carlos Andres Perez, with whom I have special spiritual and family relations, we will acquire from Venezuela thermoelectric generators, turbines that are not being used. As you know, a few years ago Venezuela inaugurated, under the government of Carlos Andres Perez, a sort of gigantic El Mantaro that is known as Guri. The inauguration of the Guri hydroelectric plant ensured for Venezuela a large supply of electric energy, therefore, thermoelectric generators were mothballed. I have asked the Venezuelan Government to let us have those generators, the turbines, on long-term credit. We will therefore have for Lima turbines capable of generating hundreds of megawatts at standby facilities; that is to say, we will have them on hand in case a break in the El Mantaro lines leaves Lima in the dark. Then, the turbines will automatically began to operate.

We will discuss this topic when I stopover in Caracas 2 hours from now and in Belgrade where President Carlos Andres Perez will also be present. I have also asked ELECTROPERU and ELECTROLIMA to investigate the possibility of renting turbines on the international market so that in various Lima locations we can have generators available. Any time there is a power cut, even of the three transmission lines from El Mantaro, these turbines could provide electric energy for our homes, street lights, and industry.

I believe it is important for the country to know that I cannot station small military units at every one of the thousands of power towers that bring electricity from El Mantaro. However, I can tell the country that in a few months we will have in Lima standby electric generators in case there is a power cut. Then terrorist actions will no longer affect the city of Lima, and our activities will not be interrupted. Lima can then count on the government's action to ensure a continuous electricity supply.

This is what I wanted to reveal to the country before I depart for this trip that will keep me away for 5 days. Thank you very much. [end recording]

Minister Says No Foreign Troops in Drug Fight

PY0109213489 Lima Television Peruana in Spanish 1800 GMT 1 Sep 89

[Text] Interior Minister Agustin Mantilla has said that foreign troops will not be allowed to join the struggle against subversion and drug trafficking. He denied that 8 ministers had resigned.

[Begin recording] [Mantilla] There are now two theaters of operation: the emergency zone under the political-military command, and the zones that are not in a state of emergency but that depend on the Interior Ministry and on the police.

The Interior Ministry is continuously undertaking actions and operations, trying to detect subversive criminals.

[Reporter] Mr Minister, are there any new detainees?
[Mantilla] Yes, we have made progress, but unfortunately I cannot provide any details yet. I am sure, though, that we will hold a news conference early next week to show the country the progress that the police have made in the struggle against subversion.

[Reporter] Mr Minister, have there been other attacks in Huanuco?
[Mantilla] We have learned that there have been some explosions in those emergency zones, but fortunately there have been no (?injuries) so far....

[Reporter, interrupting] What can you tell us about the death of policemen in Talante, Alto Huallaga, and about the five Republican Guard members who were injured?
[Mantilla] We have reports of an ambush on police personnel. We know that three policemen were killed, that two were injured, and that one is missing.

[Reporter] Mr Minister, (?can you tell us their names)?
[Mantilla] Any reports on the incident, which occurred early today, should be released by the chief of the political-military command, because the action took place in an emergency zone.

[Reporter] Regarding the struggle against drug trafficking, a DEA report says that Iquitos is a free zone for traffickers. Is that true, Mr Minister?
[Mantilla] No, no, no; there is no such report. The situation in Iquitos is quite normal and quiet. It is true that there is some drug trafficking activity, but it is small if compared to drug trafficking in other zones.

[Reporter] Mr Minister, what about the presence of Colombian drug traffickers in the Apurimac Valley, as reported by the newspaper EXPRESO?

[Mantilla] No, no, no; there are no reports on the subject. Furthermore, I could not release any information because the zone is also in a state of emergency. However, the zone is not well known.

[Reporter] [words indistinct]
[Mantilla] Look, that is a problem caused by subversion. Many people have left their land after the attacks by subversives.

[Reporter] News agency reports say that the United States may increase its aid for Bolivia, Colombia, and Peru, and that the United States may even be willing to send troops. Mr Minister, will Peru agree to the presence of U.S. troops in its territory?
[Mantilla] No, by no means will we agree to the presence of any troops. The president and the government on several occasions stated that we do not need the support of foreign armies. Neither should cooperation be regarded as aid. It is simply a joint effort to fight an evil that affects everyone. It is not aid but...

[Reporter, interrupting] [Words indistinct] to which Peru is entitled?
[Mantilla] Look, Peru should receive much more than what they are offering us, because if Peru cannot face this problem only from the viewpoint of police action, but also from the viewpoint of development, which the United States should support. [end recording]

Seven Colombians Arrested; Cocaine Seized

PY0209213289 Madrid EFE in Spanish 1941 GMT 2 Sep 89

[Text] Lima, 2 Sep (EFE)—The newspaper EL NACIONAL reported that seven Colombian drug traffickers from the Medellin Cartel have been arrested in a joint operation of Peruvian and Brazilian security forces.

In a dispatch from its correspondent in Iquitos, capital of the Peruvian Amazonas, EL NACIONAL says that 70 kilograms of cocaine chlorhidrate were found in possession of the seven arrested drug traffickers—five men and two women.

According to the dispatch, the group was travelling in a speedboat on the Peruvian Yavari River when it was detected by a Peruvian Army Patrol. The patrol then began the chase to arrest the group.

The dispatch adds that the group then fled toward Brazil and managed to cross the border, despite the presence of Brazilian Navy units. These units alerted Brazilian Army personnel who later arrested the group in the Brazilian locality of Amelia Port.

The suspected Colombian drug traffickers where taken by the Peruvian police to the Public Prosecutor's Office of Maynas, in the Loreto Department whose capital is Iquitos. They were identified as Humberto Rodriguez, Aristides Collazo, Josue Poveda, Melquiades Torres, Johnny Trevino, Martha Chavarriaga, and Maria Vargas.

The newspaper reports that upon being arrested, these people told the security forces that they were tourists and anthropology students. However, a search of the speedboat in which the group was travelling turned up 70 kilograms of pure cocaine hidden inside food cans. The cocaine is worth more than $200 million.

According to the report, the cans containing the cocaine had been loaded in the boat at Narino, on the Peruvian-Colombian border, to be distributed in Brazil.

The EL NACIONAL report has not been officially confirmed, but Peruvian Interior Minister Agustin Mantilla recently declared that up to that time the entry of Colombian drug traffickers fleeing their country's police into Peruvian territory had not been detected.

Early this week, Peruvian security forces were placed on red alert in areas through which Colombian drug traffickers may try to enter Peru clandestinely, according to information previously made public by Minister Bonilla.

Government Extends State of Emergency

PY0109224789 Madrid EFE in Spanish 2151 GMT 1 Sep 89

[Text] Lima, 1 Sep (EFE)—The Peruvian Government today extended for 60 days the state of emergency in 8 departments. These departments represent one third of the national territory. The reason for this measure is the continuing guerrilla violence according to a supreme decree issued today.

The decree states that the state of emergency suspends individual rights and leaves the Armed Forces in charge of internal order enforcement in the area under the state of emergency.

The area under the state of emergency comprises the following departments: Apurimac, Huancavelica, Junin, Pasco, and Ayacucho in the central mountain range and Huanuco, Ucayali, and the Loreto Province in the jungle. Approximately 25 percent of Peru's overall population of 22 million live in this area.

The state of emergency is used by the Peruvian Government to try to control the terrorist organizations that have been active in Peru since 1980. Terrorist violence has caused at least 15,000 deaths and caused damage worth over $12 billion so far.

The police today reported that on the night of 30 August alleged terrorists shot dead Cesar Paucar and Cesar Carvajal in the Andean Province of Huancayo.

According to the police in Huancayo, 319 km east of Lima, the victims refused to join the Shining Path terrorist organization.

Terrorists Kill 3 Policemen in Alto Huallaga

PY0109192389 Lima Television Peruana in Spanish 1800 GMT 1 Sep 89

[Text] The interior minister has reported that three policemen were killed, two were injured, and one is reported missing following an ambush perpetrated by terrorists early this morning in the Talanta emergency zone in Alto Huallaga.

Kill Mayor in Northern District

PY0209143489 Madrid EFE in Spanish 0251 GMT 2 Sep 89

[Text] Lima, 1 Sep (EFE)—The National Police reported here today that on 31 August a presumed terrorist commando group fatally shot Zacarias Briceno, mayor of Sanagoran District in northern Peru.

The police said that Briceno, a regional leader of the communist United Left Front, is the fourth mayor to be killed in August in the current wave of political violence.

The police spokesman reported that some 30 alleged Shining Path terrorists arrived in Sanagoran early on 31 August.

Eyewitnesses told police that the terrorists rounded up residents in the main square and shot the mayor. The terrorists burned the city hall building before leaving.

Sanagoran District is located in Sanchez Carrion Province in the northern Peruvian mountain range, 600 km from Lima.

Terrorists Dead After Attack on Chemical Plant

PY0209170089 Madrid EFE in Spanish 0400 GMT 2 Sep 89

[Text] Lima, 1 Sep (EFE)—Interior Minister Agustin Mantilla has reported that six alleged terrorists who burned a chemical plant in Ventanilla died last night during a clash with police.

Mantilla told radio stations that police officers pursued the terrorists after they had overpowered workers—two of them were injured—and dynamited the factory.

Following this attack, a 20-minute blackout occurred in Lima. The cause of this blackout has not yet been determined.

According to press sources, two firefighters who helped to control the blaze at the factory were burned.

Some 15 people attacked the National Reagent Plant [Reactivos Nacionales], which is located near the 5-km marker on the highway leading to Ventanilla in the western sector of Lima.

The sources said that police had closed off a 1-square-kilometer area because of the flammable chemicals, but that the huge fire was under control.

Unconfirmed sources reported that other bombings occurred in the El Agustino District.

The blackout affected the entire capital and extended to cities spread over 1,000 km—that is, from Chiclayo, 780 km north of Lima, to Chincha, 202 km to the south.

A spokesman for the state-owned electricity company has reported that electricity has been restored; he said he did not know whether the blackout was caused by terrorist attacks on high-power towers, as has often been the case in the past.

Doctors, Transport Workers End 97-Day Strike

PY0409190089 Madrid EFE in Spanish 1557 GMT 3 Sep 89

[Text] Lima, 3 Sep (EFE)—Peruvian Health Minister David Tejada has reported that at least 10,000 doctors today returned to their jobs, lifting their 97-day strike. This is the longest strike in the history of Peru.

Luis Flores, chairman of the Medical Doctors Association, has stated that the doctors gave up the strike and accepted the salary increase granted by the government.

Flores added that the doctors will now earn a monthly average of 700,000 intis ($182).

The 12,000 state transport workers also returned to their jobs today, ending their 3-week strike in demand of better salaries.

These workers accepted the company's proposal to raise their salaries to a monthly average of 800,000 intis ($208).

During the drivers strike, the National Urban Transport Company (ENATRU) contracted some personnel, and a head-on collision took place on a highway, killing at least 25 people and injuring 50.

Inflation Until Aug 'Almost 1,000 Percent'

PY0109212589 Madrid EFE in Spanish 1956 GMT 1 Sep 89

[Text] Lima, 1 Sep (EFE)—According to official figures released today by the National Statistics Institute (INE), the inflation rate in Peru for the first 8 months of this year has reached almost 1,000 percent.

The inflation rate in August was 25 percent. This is very similar to the percentages for the 3 previous months yet under the percentage for the first quarter of 1989, which averaged over 40 percent per month.

According to INE the inflation rate for the first 8 months of 1989 totals 992 percent.

The inflation rate for the 12-month period from September 1988 to August 1989 totals 5,704 percent.

Uruguay

Ambassador to Panama Recalled '2 Weeks Ago'

PY0209015689 Madrid EFE in Spanish 0105 GMT 2 Sep 89

[Text] Montevideo, 1 Sep (EFE)—Uruguayan Foreign Minister Luis Barrios Tassano today held a news conference during which he announced that the Uruguayan Foreign Ministry recalled its ambassador to Panama 2 weeks ago.

Barrios Tassano added that the Uruguayan Foreign Ministry wants to "receive direct and personal information" on the Panamanian situation.

When he was told that Argentina, Bolivia, Brazil, Colombia, Peru, and Venezuela had also recalled their ambassadors to Panama, the foreign minister explained that it had been the Uruguayan Government's decision to recall the ambassador and denied that it is part of a joint plan of the Group of Eight.

For the time being Mexico, also a member of the Group of Eight (from which Panama has been temporarily excluded), has not recalled its ambassador.

Ambassador Sierra will remain in Montevideo for as long as the Foreign Ministry deems it necessary, Barrios Tassano said. He explained that the decision to recall the ambassador for consultations "is a normal and usual measure whenever there is a conflict in a country."

Venezuela

Government Issues Communique on Panama 31 Aug

PA0109151289 Paris AFP in Spanish 0534 GMT 1 Sep 89

[Text] Caracas, 31 Aug (AFP)—Regarding the Panamanian situation, the Venezuelan Government on 31 August reported "the presence of a dangerous factor that undermines the security and sovereignty of the entire hemisphere." The communique was issued by the Venezuelan Embassy in Washington and was released the same night in Caracas.

Following the appointment of new Panamanian President Francisco Rodriguez, the Venezuelan Government "deplores that the sovereign will of the Panamanian people has not been respected and that the request for a new electoral process, according to the Panamanian Constitution, has been denied."

Referring to the statement by Secretary of State Lawrence Eagleburger [as received] at the OAS, the communique states that there are new elements and information "that heighten our concern for the future of this fraternal nation."

Venezuela believes that "despite all efforts conducted, it has not been possible to reach a national agreement that results in a government capable of strengthening democratic institutions in Panama and respecting the people's will."

After considering that the appointment of Rodriguez as the new Panamanian president "breaks the constitutional order and all traces of legitimacy and legality," the Venezuelan Government reiterates its position in favor of "the inviolability of the Torrijos-Carter treaties, which returns sovereignty over the waterway to Panama."

No Decision on Breaking Ties

PA0209223489 Madrid EFE in Spanish 2146 GMT 2 Sep 89

[Text] Caracas, 2 Sep (EFE)—Venezuelan President Carlos Andres Perez said today that his government has not adopted any decision on breaking diplomatic relations with Panama.

Perez said shortly before leaving for Belgrade to attend the Ninth Nonaligned Movement summit that the Panamanian problem will be discussed at a meeting among Latin America presidents present for the event.

The Venezuelan chief of state explained that "the issue is not what measures to adopt on Panama, but how Latin America can retake the initiative to permit the Panamanians to resolve their problem among themselves to prevent any possibility of an intervention in Panama."

Perez said that he regrets the situation the Panamanian people are enduring and "the loss of legitimacy and legality in that sister republic to which we are united by so many links."

The Venezuelan president noted that "Venezuela recalled its ambassador to Panama for consultations several months ago."

Perez Urges 'Friendly Compromise'

PA0409223489 Buenos Aires REUTER in Spanish 2048 GMT 4 Sep 89

[Text] Belgrade, 4 Sep (REUTER)—Venezuelan President Carlos Andres Perez said today that the Latin American countries should look for ways to produce a "friendly compromise" to resolve the Panamanian crisis. Perez will probably meet here with Carlos Ozores, the new vice president of Panama.

Perez told REUTER: "We have to make one last effort to produce among the Latin Americans a friendly compromise to help resolve a problem that can cause much damage to our countries." He noted that all the Latin American countries are opposed to a U.S. intervention in Panama; but, he cautioned, "an effective democracy and compliance with the constitution have for us a fundamental intrinsic value."

Diplomatic sources have reported that there will be a rapprochement between Venezuela and Panama during the Nonaligned Movement countries' summit meeting that began today. Venezuela, as well as other countries, withdrew its ambassador to Panama following the annulment of the Panamanian May elections.

Ozores, who became provisional vice president of Panama on 1 September, has stated that he expects to meet with Perez during the summit, which is being attended by five Latin American presidents.

The Panamanian said during a news conference that there will be electoral reforms and new elections in his country as soon as possible. At this news conference he also referred to Perez, saying: "President Perez played a fundamental role in the difficult 1979 negotiations for a new Panama Canal treaty."

Ecuadoran Foreign Minister Diego Cordovez, who headed the frustrated OAS mission that went to Panama, said here that he has hopes that there will be a negotiated solution in Panama. He said that the fact that the new Panamanian Government is headed by a civilian and not by a military man, and that there are plans for elections within 6 months, is important.

Venezuelan Foreign Minister Reinaldo Figueredo said that Caracas is "closely following" the Panamanian situation because Venezuela wants to see that there is compliance with the Torrijos-Carter treaties that call for Panama assuming control of the Panama Canal at the end of the century.

The Venezuelan foreign minister noted: "Venezuela has always supported the struggle of the Panamanian people to secure victories, such as that provided by the Torrijos-Carter treaties, victories that belong to all of Latin America."

Police Alert to Possible Drug Lords Incursion

PA0209161489 Hamburg DPA in Spanish 1359 GMT 2 Sep 89

[Text] Caracas, 2 Sep (DPA)—Judicial Technical Police [PTJ] (the state security organization) Director Mauro Yanez Pasarella has reported in Caracas that the PTJ is on "alert" in view of a possible incursion by Colombian drug traffickers. He said his office has obtained a list "of some 20 names" of the Medellin Cartel kingpins, provided by the U.S. Government.

Although he did not disclose the names, a Venezuelan daily says that among those included are Juan David Ochoa, Jorge Luis Ochoa, Fabio Ochoa, Jose Gonzalo Rodriguez Gacha, Gustavo de Jesus Gaviria, Jose Santa Cruz, Pablo Escobar Gaviria, Miguel Angel Rodriguez, Ciliberto Rodriguez, and Orjuela Caballero. All names have been provided to the PTJ offices in the main Venezuelan cities because there a possibility that some Colombian drug traffickers might try to "evade" justice in their country, using Venezuela for this purpose, Yanez Pasarella said.

Suriname

Small Plane, Coppename River Ferry Hijacked

PA0109152589 Paris AFP in Spanish 1434 GMT 1 Sep 89

[Text] Paramaribo, 1 Sep (AFP)—A group of Surinamese Amerindians hijacked a small plane today to demand that the government headed by President Ramsewak Shankar nullify the peace agreement signed with the guerrillas on 21 June, military sources in Paramaribo have reported.

Moreover, an unidentified group hijacked a ferry on the Coppename River, some 80 km from the capital, on the night of 31 August and is holding an unknown number of people hostage, the same source has reported.

Ferry Hijackers Kill 1

FL0109154089 Bonaire Trans World Radio in English 1130 GMT 1 Sep 89

[Text] Suriname's National Assembly has voted to lift the state of emergency that has been in effect since December 1986. The vote was unanimous but the three members of Commander Desi Bouterse's party were not present for the vote.

Also in Suriname, an armed gang boarded a ferry on the Coppename River and hijacked it. The hijackers killed one passenger. No other details are available in yesterday's attack or on the fate of the ferry.

Further Report on Hijackings

FL0109194189 Paramaribo International Service in English 1730 GMT 1 Sep 89

[Text] Between 10 to 15 persons yesterday hijacked a boat at the Coppename point in the Saramacca District. The hijacking took place as the boat was about to make its crossing from (?Boskamp and Jennie) in the Coronie District. At least one person has been reported to have been killed in this incident.

Around the same time yesterday, an aircraft belonging to the Gum Airline Company was also hijacked at Apoera in the Nickerie District. The pilot and some of the passengers have been held hostage.

A group which called itself Amerindians from the Amazon region took responsibility for the hijacking. In a letter to President Shankar, the group expressed dissatisfaction over the Kourou Accord. The hijackers are also demanding that Amerindians be included in the special police force for the interior. The hijackers also want the reopening of the Bureau for Amerindian Affairs and representation on state office. The group has given the government 8 days to meet its demands.

Another Ferry Seized

FL0409124489 Bonaire Trans World Radio in English 1130 GMT 4 Sep 89

[Text] Suriname's indians have seized a river ferry on its way from Nickerie to Paramaribo and taken its 3-men crew prisoner. Meanwhile, other Indians have released the captain and a passenger from a ferry boat they had hijacked earlier. The pilot of a Cessna plane operated by Gum Air is still being held after being seized on Thursday [31 August].

The Surinamese Government is presently discussing the situation and later today will hold a parliamentary debate. The debate will focus on the consequences of the hijackings on national security. The Indians are protesting the peace agreement between the government and rebels.

National Assembly Lifts State of Emergency

FL0109232289 Paramaribo International Service in English 1730 GMT 1 Sep 89

[Text] The National Assembly yesterday by 37 votes decided to lift the state of emergency in the interior by law. When the law takes effect, the state of emergency in the Marowijne, Brokopondo, and Sipaliwini Districts, and part of district Para will end.

The state of emergency was imposed following the war situation in these areas.

During the discussions on the draft law, assembly member Humphrey Noermohamed of the Front coalition [Front for Democracy and Development] proposed that for the time being, the National Army should continue to patrol these areas for security reasons. According to Noermohamed, during the period of the state of emergency, the Army gained experience in the fight against criminality in these areas. He's of the opinion that the government should make use of this experience.

Faction leader of the opposition NDP [National Democratic Party], Frank Playfair, is of the opinion that at the moment it's wrong to lift the state of emergency. Playfair is of the opinion that the interior is still unsafe. He said that the lifting of the state of emergency should be the final act in the peace process. The NDP left the house before voting time.

Military Authority: French Letter Meddling

FL0109224689 Paramaribo International Service in English 1730 GMT 1 Sep 89

[Text] The Military Authority has asked President Shankar for a clarification on the demands by the French Government in a letter by the French military attache to National Army Chief of Staff Badresseein Sital. The letter was received last weekend.

Lieutenant Colonel (Gilbert Sesira), in the letter in the name of the French Government, expressed concern over the attitude of the National Army. The French Government has the impression that the National Army doesn't stick to democratic rules and no longer obeys the government, according to the letter.

The Military Authority sees the contents of the letter as a flagrant violation of all diplomatic traditions and that it is a form of interference in the internal affairs of Suriname.

Commander Sital yesterday expressed amazement over the fact that government has still not reacted to the letter.

Shankar on Nation's Financial-Economic Policy

FL0109231789 Paramaribo International Service in English 1730 GMT 1 Sep 89

[Text] President Ramsewak Shankar has said this morning to the National Assembly that the financial-economic policy of the government in the coming years will be aimed at the restoration, (?adaptation), and growth programs.

Today President Shankar gave an explanation of the policy of the government for the upcoming year. This took place during the opening of the fiscal year of the National Assembly.

The Surinamese president has stated that with the cooperation of the European Community, a report has been formulated which points out the most important policy fields. These policy fields will be analyzed shortly by the president. According to him, these fields include the public finance, the private and government investments, the balance of payments, the (?labor) market, and the distribution of wealth.

In his address during the opening of the fiscal year of the assembly, the president stated that the development program of the government will be formulated on the basis of the analyses which are to be made.

Two Labor Organizations Join TU Federation

FL0209010489 Paramaribo International Service in English 1730 GMT 1 Sep 89

[Text] The Labor Congress of the Council of Trade Union Federations in Suriname, Ravaksur, has yesterday approved the membership of the Progressive Workers' Organization, PWO, and the Federation of Farmers and Agricultural Workers, FEL, to this umbrella body.

The membership of the PWO and the FEL was recommended by representatives of the Moederbond, the C-47, and the CLO [Public Servants Organization Central Council]. The representatives emphasized that with this inclusion, the joint struggle of the working class can be continued.

According to CLO Chairman Henry Sylvester, the membership of the FEL and PWO in Ravaksur is a positive development within the trade union movement.

Two hundred and fifty members and cadres from various trade unions from both the city and the districts were present at the labor congress of the Ravaksur.

Radio Plans To Increase Programs, Add Spanish

FL0209004889 Paramaribo International Service in English 1730 GMT 1 Sep 89

[Text] Radio Suriname International [RSI] celebrates its fifth anniversary tomorrow. The station aims at informing the world, and especially Surinamese abroad, about happenings and developments in Suriname and the Caribbean.

The management of the station is of the opinion that it's not only good to hear from others, but also to be heard. Since it's establishment in 1984, Radio Suriname International has received about 10,000 letters from listeners in 90 countries. These include letters from the Caribbean, as well as countries in Latin America, Africa, Europe, the United States of America, the Middle East, India, and Japan.

RSI is broadcasting daily 50-minute programs through a transmitter on the Radiobras [Brazilian Radiobroadcasting Company] in Brazil. The programs are in Dutch and English. The management of the station is planning to expand the service to listeners by adding Spanish programs to their schedule and enlarging the English and Dutch part of the program.

RSI can be received on shortwave in the 60-meter band from Monday till Friday at 1300 hours in the Eastern Caribbean or 17 hours UTC [Universal Time Coordinated].